



Rio Blanco County Economic Development Strategy

Phase I – Community Assessment

Prepared by: Better City

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EXECUTIVE SUMMARY

In the past year Rio Blanco County (the “County”) has experienced a significant amount of economic stress as the price of oil and gas has dropped due to a supply glut. The drop in demand has caused drilling and pipeline companies to leave the County, taking with them valuable jobs and financial support for County and community programs. Many housing units and hotels are now empty and local business owners are feeling the strain of decreasing demand for goods and services.

The County has engaged with Better City to assist in developing and implementing an economic diversification strategy plan geared toward lessening the County’s over-reliance upon energy extraction industries.

Phase I of the project (this report) is a community assessment that identified recent economic trends, community assets, key stakeholders etc. and determined how these factors can be aligned with the community’s goals and desires for the future. The project also includes an assessment of the community’s strengths, weaknesses, opportunities and threats in context of economic development, and provides a vision with action steps of how to move the community forward.

In this regard, the Firm has identified a number of opportunities for economic development and has outlined action steps that can be taken to begin to strengthen existing local businesses, while also setting a framework that will support diversification and economic growth.

The concepts and ideas presented in this document should not be viewed as final conclusions, but rather as a framework for additional idea generation that will be refined over the other phases of the project.

COMMUNITY ASSESSMENT

Although the communities of Rangely and Meeker are separated by less than 60 miles and are heavily dependent upon natural resource extraction, the available assets and the prevailing culture are quite different in the two communities. Therefore, each community will be addressed and analyzed separately. The methodology in the community assessment involved meeting with various stakeholders such as town and county leaders, business owners, long-time residents, and community visionaries. The purpose of these private interviews was to gain context into the history of the area and to hear first-hand examples of what it is like to live, work, and grow a business in Rio Blanco County.

MEEKER, COLORADO

Economic History and Recent Trends

Meeker has a rich history tracing its origins back to the days of Nathan Meeker, and even earlier with the Ute Indian tribes. The local economy was largely agrarian with a significant amount of farming, ranching and hunting occurring on the banks of the White River and in the nearby mountains. Reliance upon the land as a major economic driver has continued into the modern era with the discovery of energy resources such as coal, oil and gas. The citizens of the town feel a deep connection to the landscape, and have learned to live with the challenges that come with the boom and bust cycles that are common to the extraction industry. However, a growing concern among the citizens, and particularly business owners, is the immense difficulty of running and growing

a private enterprise in the midst of fluctuations of global commodity prices. Change and growth, which has been avoided for years by the local population, is now being considered by many, and embraced by some.

As the county seat, Meeker has a large percentage of its labor force working for the town, county, or Federal government, which has been a benefit in helping to lessen the number of job losses and the negative impacts that have occurred in other areas of the county and the region during the most recent oil-price slump and resulting economic downturn. However, because the town of Meeker has relied on the public sector for a major percentage of its salary base, the economy is not as strong or diversified in the private sector as a community of this size should be. Necessity is the father of innovation, and between the government jobs and the energy industry jobs, the town of Meeker, and Rio Blanco at large, have not felt the immediate necessity to diversify until recently.

Goals and Ideas of the Community

Several key themes surfaced throughout the interviews with community stakeholders. Among them was the desire to 1) preserve and stabilize the downtown, 2) recruit additional manufacturing employers, 3) bring back a second grocery store and 4) provide additional resources to help citizens and visitors connect with local recreational opportunities.

The downtown area, centered along Main Street and Market Street between 3rd and 8th street, has seen a number of businesses close their doors, or relocate in recent years. One of the major drivers of this slowdown is the lack of foot traffic, or any traffic

along Main Street. Highway traffic moves along Market Street, but there is little incentive to draw travelers, or even local citizens into the historic downtown core. The elementary school was a historic driver of downtown foot traffic, but after it relocated to the north-east side of town, some downtown business owners experienced a significant decrease in traffic and at least one business chose to relocate to the highway as a direct result.

The downtown area is lacking a sense of place, or an amenity that serves as a unique focal point and gathering place for the community. Future sections of this report will be centered on creating corridors to drive traffic into the downtown area to stabilize the existing businesses and encourage future investment.

Manufacturers in Meeker include Natural Soda, Headhunter and Rocky Mountain Bowstrings. Manufacturing jobs are typically more stable than gas and oil jobs and are an important aspect in diversifying the local economy. A concept that will be explored in greater detail later in this report is the potential of helping the existing manufacturers grow, leverage their presence to expand the manufacturing cluster, and thus capture more value at the local level.

A grocery store is an important component to any community and can play a significant role in creating a positive (or negative) image and identity of a town. Most rural communities rely on a single grocery store, and the lack of competition can create a negative dynamic in the community. Although Meeker was once home to two grocery stores, it currently only houses one and a fair number of interviewees noted the negative impact of not having a second store.

Meeker is home to beautiful scenery, abundant wildlife, and a river with world-class fishing. A common sentiment expressed in the interviews is that although the community is home to so many unique natural resources, information regarding how and where to participate in these activities is limited. The community is aware of efforts by the Recreation District and others to better mark and promote the local recreation trails, but there is a degree of frustration in how long that process is taking. Additional public outreach may help alleviate frustration.

Additional topics and concepts that were discussed in local interviews are summarized in the word in Figure 1.

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Figure 1: Meeker Interview Word Cloud

Asset Inventory

Meeker currently has three major assets that need to be leveraged together in any economic development, or redevelopment plan, namely: 1) the downtown, 2) Highway 13, and 3) the White River. The downtown area has a few historic building assets including the Meeker Hotel, as well as new architecture with the municipal and county buildings. The downtown core has the potential of providing a sense of pride, and place for the community, but vacancies and turnover have prevented this from occurring.

The Highway is a great asset to the community and has Average Annual Daily Traffic counts greater than 6,000. However, Meeker has not been able to capitalize on the highway traffic

due to the speed at which travelers pass through town. There are currently no controlled intersections along the highway, and there aren't any amenities or attractions visible from the road that would entice a traveler to stop. Additionally, the speed and frequency of the traffic makes it difficult for pedestrians to cross the highway, effectively severing the downtown from the river and the public park. In this regard, the Highway is an infrastructure asset, but the lack of controlled intersections is an impediment that must be addressed.

The White River is an excellent Class II river with a relatively large width ranging between 60 and 100 feet as it passes through Meeker. The river boasts some of the best fishing in Colorado, although much of the river has restricted access imposed by private landowners along its banks. However, there is public access within Meeker, which could be exploited to a greater degree. In addition to fishing, the river is often used during the summer months for floating and other recreational activities.

Currently these assets are parallel to each other, and are disparate compo-

nents of the community. To greater leverage these assets into a cohesive story that can attract visitors and investment, a development project should be undertaken to connect these assets conceptually and physically. The opportunity will be discussed in detail later in this report, but the basic concept is to create a corridor that connects the three assets together. The corridor would facilitate and funnel traffic from the highway into the downtown area, as well as the river.

The Recreation District is a valuable community asset not only in terms of the physical amenities that are currently available, but also because of the district's financial stability and willingness to participate in additional projects. The Recreation District will be an important partner in developing the corridor concept described above.

An additional asset planned, but not yet completed, is the broadband development and fiber project. Rio Blanco County has been proactive in promoting and encouraging the community to catch the vision of a broadband network. The current availability, or lack thereof, of high-speed Internet is a liability that will greatly impact the county's ability to recruit additional businesses, such as location neutral businesses or manufacturers that rely on the Internet to manage and coordinate logistics. The local governments should continue to push broadband and do everything possible to accelerate the installation and implementation of a high-speed fiber network.

The lack of attractive, high quality development along the highway is a liability to the community that needs to be addressed. As visitors and potential residents pass through town, the view from the highway doesn't deliver the message or create the impression

that Meeker is a vibrant community with access to world-class recreational opportunities. Rather, it communicates a sleepy rural town that doesn't have much to offer. Pairing a traffic controlled intersection with the corridor development discussed previously will go a long way in communicating the vibrancy of the community and will help divert traffic off the main road and into the historic downtown, or onto the river.

Aversion to Change

All communities have a subset of the population that opposes growth and change because of the fear that the community will lose its identity and will stop being the town that was attractive to them in the first place. This subset is typically quite vocal, as is the case in Meeker. Public outreach is an important step to help calm any anxieties toward change, but ultimately the community stakeholders need to realize that change is necessary in order to stay relevant for the next generation. With the right projects and the right message, the momentum moving forward will be greater than the opposition to keep the status quo.

RANGELY, COLORADO

Economic History and Recent Trends

Rangely Colorado's history, both politically and economically, has been tied directly to the oil field situated under and around the town. The Town of Rangely was founded on November 11, 1882 and officially incorporated in 1947 as the oil camp-turned-municipality took shape along the banks of the White River. The town then, and through most of its history, has relied upon the oil wells for employment, property tax, and overall prosperity. When the

demand for oil has been high, the town is a thriving community that appears to be bursting at the seams. During downturns such as the current one, local business owners struggle as the transient workforce leaves for greener pastures. The oil field has been a tremendous asset to the community historically, and will continue to be, but additional diversification and investment is needed to ensure the long-term success of the community.

Rangely has had a difficult time coping with the housing challenges associated with the boom and bust oil economy. During boom cycles, housing is scarce and the price is driven up to the point that non-oil workers have a hard time affording quality housing. Schoolteachers, hospitality workers and small business owners have typically been hit the hardest by the lack of affordable housing. During bust cycles, the situation doesn't improve very quickly either because landlords face bleak occupancy rates and have kept permanent housing rates higher than can be supported.

An additional factor impacting the local economy is the unfavorable developable landscape. Rangely is essentially landlocked in the midst of a vast expanse of BLM land. Much of the private land on the North side of Town is held by a single family and branching descendants. Previous attempts by individuals and groups to acquire land from the family have not been successful. However, recent conversations with representatives from the trust suggest that the family is looking for opportunities to divest themselves from the land. The historic challenge of not being able to acquire land from the trust may in fact become a great opportunity for future development.

Another factor affecting the town and the oil industry specifically is the oil impact fees. Multiple oil companies expressed their annoyance with the County regarding the rigidity of the fees, and cited multiple examples of companies that had moved drilling projects to Utah, or other counties in Colorado with less strict drilling fees and regulations. It is likely that a few negative experiences have circulated throughout the community and have created the perception of a situation that is worse than reality. Nevertheless, the community views the County government regulations as an impediment to growth and jobs, particularly during the latest downturn.

Goals and Ideas of the Community

The most common goal expressed in the interviews was a desire to expand tourism by leveraging the area's expansive network of ATV trails and the Rangely Rock Crawling Park. The ATV trails and rock crawling park provide a sense of pride for the community and many citizens reported going out to the hills frequently. The Chamber has been proactive on this subject and has recently applied for grants that would fund a campaign to enhance trail markings.

Another goal of the community is to improve the local retail and service providers. Many citizens expressed frustration with local shopping, particularly in the grocery category. The citizens talked of limited selection of the types of products the community wants, and outrageous prices for available items that were causing them to make long weekend trips to Vernal or Grand Junction to purchase groceries along with other goods and services. Conversely, storeowners expressed frustration with unrealistic expectations for a rural community and the difficulty of competing with giant

retailers such as Amazon and Wal-Mart. However, during personal visits to the grocery store, consultants found it to be well stocked—except for frozen foods—with prices that are in the right range for what we have observed in other rural communities. The dichotomy signals frustration generally with the management of the local store and selection and pricing have become the alibis for other underlying issues.

be remedied, but will likely require recruiting a new operator.

Additional concepts and ideas discussed in the interviews are summarized in the word cloud (see Figure 2).

Figure 2: Rangely Interview Word Cloud

Asset Inventory

The greatest asset to the community is the availability of energy resources in such close proximity. Between the oil field and the Deserado Coal mine, Rangely is energy rich and has been a major contributor to the region's energy demands. Non-local companies, such as Chevron, and transient laborers who only locate to the area when the demand for oil is high, capture a significant portion of the financial impact from these industries. However, permanent laborers and local business owners have also profited and the community is host to several retired oil-millionaires. Tax generated from the oil fields is also a significant part of the local government budget and has helped fund numerous projects around the community. Although this asset has declined recently, it will likely come back. In the meantime, the community should use this opportunity to focus energy on strengthening other aspects of the local economy.

Another asset to the community is the Colorado Northwestern Community College (CNCC). CNCC is one of the largest employers in the area, and is definitely the largest employer that is not directly tied to natural resource extraction. Although the campus is small, it has a great reputation within a few key program areas that can be leveraged to increase enrolment, and help CNCC become the contributor that it desires to be.

The airport is an important asset to the community. CNCC has built a very successful and well-respected aviation program, made possible by the close proximity of the airport. Major users of the airport include CNCC's flight program and a few locals with airplanes, but overall the airport is underutilized and has excess capacity. One of the unique aspects of the airport is the availability

of flight time and open air space, as well as its elevation of 5,200 feet. The high altitude provides excellent training opportunities for new pilots, especially in training new helicopter pilots, which could be an area of expansion for both the airport and CNCC's flight program.

The hospital is both an asset, and a liability that will affect the ability to conduct large development projects in the community. The hospital is an impressive building with state of the art equipment and capabilities that far surpass what is typically available in a rural community. However, the \$40 million bond that financed the hospital has soured the many residents of the community and may limit the willingness of the locals to participate in any other large, publicly funded projects. There are multiple financing techniques for economic development projects that will not involve increasing a mil levy, but the public may automatically assume that public participation in a project will result in an immediate increase in taxes like what occurred with the hospital. When planning for future projects, it will be important to draw the distinction and educate the public about financing techniques and projects that are self-funding vs. historic projects that relied heavily upon an increase in property tax.

The hotel situation in Rangely is a liability caused by the cyclical oil-based economy. All of the hotels face discouraging occupancy rates and all four hotels are for sale. If the occupancy rates are not improved, even the new Blue Mountain Inn will eventually fall into a similar state of disrepair as the other hotels.

Similar to the situation in Meeker, broadband is a crucial element of infrastructure that needs to be improved in Rangely. There are a few Internet entrepreneurs in Rangely that are attempting to

build web-based companies, which is difficult with current Internet speeds. Additionally, the lack of a fiber network may become an increasing issue for CNCC recruiting efforts. As described previously, the County's broadband implementation plan is an important investment in the future of the community.

SWOT – TOWN OF RANGELY

The Town of Rangely faces significant impediments to stabilization and growth within its downtown core. This is reflected in its built environment and lack of demand drivers for commercial real estate and a defined sense of place. In reality, the state of the downtown is a symptom of a more severe economic illness. Accordingly, a strategy that addresses the illness present in the community's underlying economic drivers must first be developed prior to addressing the symptom of economic malaise being manifested in the community's downtown.

As such, this strength, weaknesses, opportunities, and threats (SWOT) analysis for the Town of Rangely considers only those drivers within the local economy that are considered highly impactful. Although a more extensive and comprehensive SWOT list would highlight additional elements, these have been deemed insufficient to drive economic change within the local economy and as such are excluded for the purposes of this analysis.

STRENGTHS – TOWN OF RANGELY

The community is largely dependent on the oil & gas industry as its primary employer. As previously mentioned, outside of oil & gas, CNCC is one of the largest employers and provides economic diversification and stability to the local economy. CNCC has been

successful in recruiting students based on price, athletic programs, and a focus on niche offerings.

The local Recreation and Parks District is highly regarded within the community and has developed impressive assets given the population size and funding limitations in a rural community.

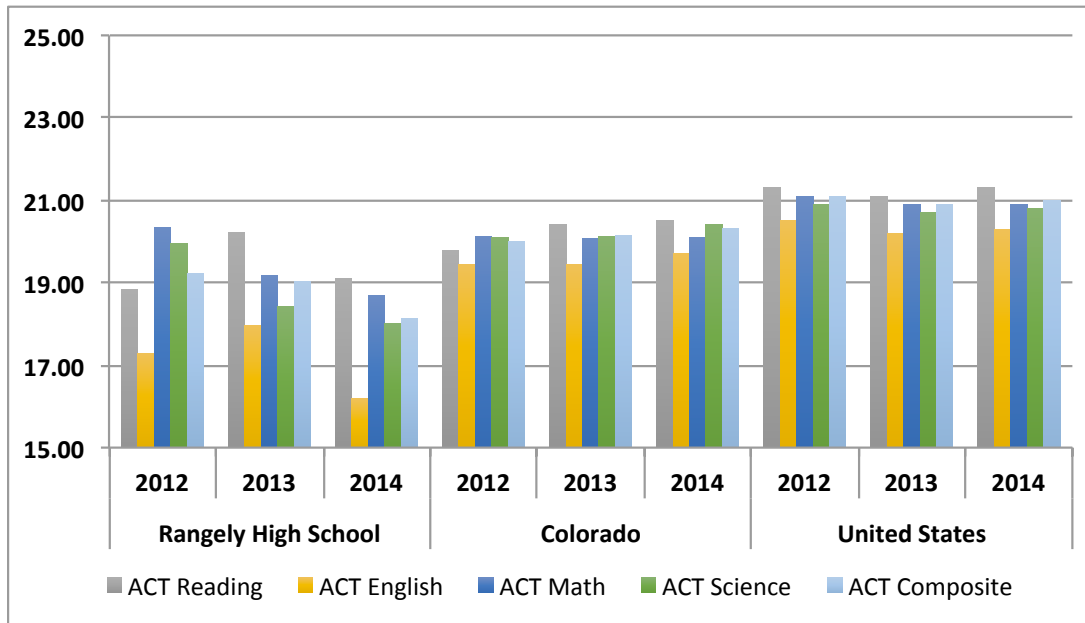
The cost of living is low, as evidenced by a recent report from Business Insider that named Rangely as the most affordable small town in Colorado. The study was looking specifically at housing costs, but the study overlooked another area of advantage... utility costs. The electricity rates in Rangely are among the lowest in the nation with industrial users paying a usage rate that is less than 50% of the state and national average. Weaknesses – Town of Rangely

Rangely's weaknesses are its small population size, dependence on oil and gas, and distance from a large population base. The small population size results in few retail amenities, little housing demand, and limited local capacity to create quality of life assets. Dependence on oil and gas can be addressed by focusing on economic diversification. Although the rock crawling park has been successful in attracting outside tourists, it has not translated into significant room demand for local hotels.

Many of the students at CNCC are from the surrounding region and travel home during the weekends. This is due to a lack of local amenities, recreation, and social opportunities. CNCC is located on a plateau and is removed from Rangely's downtown. These factors all negatively impact local businesses.

According to interviews with local long-time residents, the education system in Rangely has historically been exceptional, and

some reminisced about a time when the Rangely School District received recognition for spending more money per student than any other school in Colorado. This trend has shifted in recent years and now the Rangely School District lags behind the County and the state in performance metrics and ACT scores (see Figure 3).



Sources: Colorado Department of Education, ACT.org, NCES

Figure 3: ACT Performance, Rangely High School

OPPORTUNITIES – TOWN OF RANGELY

With few local assets, opportunities for furthering economic prosperity in Rangely will largely be dependent on leveraging CNCC and the County airport. With significant ongoing demand for pilots in the national and international markets and the growth in international student enrollment at community colleges, there exists an unprecedented opportunity to grow CNCC's pilot training program and capture additional market share.

Many student athletes attend CNCC to develop their athletic skills in order to compete for positions at other State universities. CNCC's athletic programs are uniquely positioned to capitalize on student athlete development.

There is also a percentage of the local workforce with welding and mechanical skills that are currently under-employed due to the cutbacks in the oil & gas industry. A new business could take advantage of these existing skillsets.

The low cost of living and favorable electricity rates may provide the opportunity to attract large electricity users to the region.

THREATS – TOWN OF RANGELY

The oil and gas industry is subject to global price fluctuations in the oil & gas market. A decline in demand or oversupply of oil & gas will result in producers restricting supply to existing production assets that operate at low break-even points and cutting back exploration. Local employment is largely dependent on these external forces.

Competition for prospective students is a significant threat for CNCC, particularly with regards to the aviation program.

The primary community college competitors for CNCC's aviation program include the Aims Community College in Greeley and the Metropolitan State University of Denver (MSU of Denver). Both colleges are larger, more diversified in their offerings, and closer to a large population base than CNCC. However, MSU of Denver does not have any dedicated assets for their aviation program other than simulators. CNCC has recently entered into a strategic partnership with MSU of Denver to provide aviation training to their students at the Rangely airport.

RECOMMENDATIONS – TOWN OF RANGELY

#1 – CNCC INTERNATIONAL STUDENT AVIATION STRATEGY

Growth at CNCC is critical to the long-term economic prosperity of Rangely. As such, a focus on growing the aviation and aviation maintenance programs should be a prioritized initiative of the community. Current enrollment levels at competing schools would indicate that CNCC is limited in its ability to attract significant enrollment in its aviation programs from within the State.

Recruiting international students to CNCC's aviation programs is one opportunity that can provide growth to the school while keeping the student population in the community over the weekend. According to a recent publication released by Boeing, there is unprecedented demand for pilots and airline mechanics in emerging markets (see Table 1). The largest market is the Asia Pacific region with 216,000 and 224,000 pilots and technicians, respectively, needed over the next 20 years from 2014 to 2033.

	Pilots	Technicians
Asia Pacific	216,000	224,000
Europe	94,000	102,000
North America	88,000	109,000
Middle East	55,000	62,000
Latin America	45,000	44,000
CIS*	18,000	24,000
Africa	17,000	19,000
Total	533,000	584,000
*Commonwealth of Independent States		

Source: Boeing – Pilot and Technician Outlook. www.boeing.com/commercial/market/long-term-market/pilot-and-technician-outlook/#/demand-for-pilots. Accessed 04/27/2014.

Table 1: Pilot and Aircraft Technician Demand

Since 2006, new international students at community colleges have increased from 20,156 to 27,672, an average annual growth rate of 5.6%. International students attending community colleges are at an all time high with 32% of international students now attending community colleges (see Source: 2010 Carnegie Classification of Institutions of Higher Education

Table 2).

Year	New Int'l Students at Associate's Institutions	Annual % Change	Total Int'l Students	% of Total Int'l Students at Associate's Institutions
2006/07	20,156	-	84,061	24%
2007/08	20,552	2%	86,683	24%
2008/09	28,335	38%	95,785	30%
2009/10	25,294	-11%	94,175	27%
2010/11	24,262	-4%	89,853	27%
2011/12	24,408	1%	87,997	28%
2012/13	26,880	10%	86,778	31%
2013/14	27,672	3%	87,963	32%
Average		5.6%		

Source: 2010 Carnegie Classification of Institutions of Higher Education

Table 2: International Students and Community Colleges

The Asia Pacific region is the largest source of international students at U.S. institutions of higher education. Specifically, the Asia Pacific region accounts for the top four countries of origin of international students (see Table 3). The region also accounts for the greatest percentage of international students that attend community college (see Table 4).

Rank	Place of Origin	Enrollment	% of Enrollment
1	China	14,778	16.8%
2	South Korea	9,676	11.0%
3	Vietnam	6,509	7.4%
4	Japan	5,542	6.3%
5	Mexico	3,782	4.3%
6	Saudi Arabia	3,606	4.1%
7	Hong Kong	2,639	3.0%
8	Indonesia	2,639	3.0%
9	Brazil	1,847	2.1%
10	Venezuela	1,847	2.1%
11	Sweden	1,671	1.9%
12	Taiwan	1,671	1.9%
13	India	1,671	1.9%
14	Canada	1,231	1.4%
15	Colombia	1,144	1.3%
16	Thailand	968	1.1%
17	Nigeria	880	1.0%
18	Philippines	792	0.9%
19	Turkey	792	0.9%
20	Russia	792	0.9%
21	Nepal	704	0.8%
22	France	704	0.8%
23	Pakistan	704	0.8%
24	United Kingdom	704	0.8%
25	Kazakhstan	528	0.6%
	All Others	20,144	22.9%
WORLD TOTAL		87,963	100%

Source: 2010 Carnegie Classification of Institutions of Higher Education

Table 3: Top 25 Countries of Origin for International Students

Place of Origin	Enrollment	% of Enrollment
China	14,778	16.8%
South Korea	9,676	11.0%
Vietnam	6,509	7.4%
Japan	5,542	6.3%
Hong Kong	2,639	3.0%
Indonesia	2,639	3.0%
Taiwan	1,671	1.9%
India	1,671	1.9%
Thailand	968	1.1%
Philippines	792	0.9%
Nepal	704	0.8%
Total	47,588	54%

Source: 2010 Carnegie Classification of Institutions of Higher Education

Table 4: Asia Pacific Region and Community College

In summary, the Asia Pacific region leads the world not only in pilot and technician demand, but also in international student community college attendance. The combination presents CNCC with a generational opportunity to grow its market share by capturing additional international students from the Asia Pacific region who are seeking pilot and technician training. International students are typically highly motivated to succeed, bring with them a lot of discretionary spending money, and most importantly they don't travel home on the weekends. These non-commuter students can have a great impact on not only the campus, but also on the town of Rangely as the students spend money and become integrated into the community.

Fortunately, CNCC is already a certified Student Exchange Visitor Program (SEVP) school, which allows foreign students to enter the country and attend the college on an F-1 student visa.

Action Step 1 – Create Institutional Capacity / Funding

Budgetary constraints are often the primary reason why community colleges do not engage in international recruiting. As such, the first priority will be to establish CNCC's institutional capacity.

This can be accomplished through strategic partnerships between CNCC and Rio Blanco County, Town of Rangely, Rangely Chamber of Commerce, Rangely Airport, local businesses, State of Colorado, USDA, and the Economic Development Administration (EDA). Such partnerships will be focused on identifying and securing funding sources to assist the college in the establishment and on-going operation of a Center for International Education (CIE).

Action Step 2 – Center for International Education

The CIE's mission will be to develop funding sources and profitable strategies for international recruiting focused on pilot and technician training programs. In addition, the CIE will be responsible for student retention by coordinating with other college departments regarding housing and other supportive services to help accommodate international students.

It will be imperative that the CIE establish an online presence in Asia Pacific to engage with prospective students. In addition to social media marketing strategies, CNCC should consider hiring a consultant that is able to navigate the educational labyrinth of China and the Asia Pacific region and begin recruiting on the local level.

Action Step 3 – Establish CIE Presence in Asia Pacific Region

A physical presence in the region should be a priority within the first five-years of the CIE. This can be accomplished by securing grants to fund the establishment of a global engagement office in the Asia Pacific region. Potential grantors include the U.S. State Department Bureau of Educational and Cultural Affairs, Institute of International Education, Clinton Foundation, Colorado Office of Economic Development and International Trade, and various others. Other community colleges have had success in securing grants to establish offices in Asia Pacific. For example, in 2012, the College of Lake County received a U.S. State Department grant to open an American Culture Center in Xi'an, China.

Travel expenses to the Asia Pacific region will be significant with average expenses for a recruiting trip topping ten thousand dollars (\$10,000) per person. Potential recruiting partnerships could be explored with the American Association of Community Colleges and the Colorado Office of Economic Development and International Trade to help defray travel costs.

Should CNCC's CIE be successful in recruiting just one twentieth of a percent (0.05%) of the existing Asia Pacific community college market it would increase enrollment by 24 students, doubling its flight program and providing a 9% increase over its present enrollment of 270 students at the Rangely campus.

Action Step 4 – Reinvest in Marketing

Tuition from international student enrollment can be a significant revenue source for the college if a balanced approach to international recruiting expenditures is adopted. One community college that has been very successful with their international student enrollment earns \$14 million per year in tuition revenue from international students. This in turn provides the funding necessary to

maintain their \$2 million per year international marketing and recruiting budget. Although this is an extreme example, the same approach should be adopted at CNCC. That is, a portion of the monies received through international student tuition should be reinvested to maintain an ongoing marketing and recruiting presence in the Asia Pacific region.

#2 – ASIAN LANGUAGE CENTER OF EXCELLENCE

Before the FAA allows internationals to begin flight training within the US, the prospective pilots need to pass an English proficiency test. Many of the private pilot schools in the country that cater to international students, don't actually offer English courses. Instead, they require students to provide proof of completing an English proficiency test prior to admission. CNCC has the potential to develop a competitive advantage in this regard because the college may be able to build a program that provides intense and accelerated English courses in addition to flight training.

The language training would not be exclusive to those that are entering the flight program, and there exists the opportunity to build a language center that opens the door for additional entrepreneurial activities.

For example, there are a number of online freelancing sites that aim to connect individuals and businesses with ideas, to people around the world with the skills to turn those ideas into reality. Individuals and companies post a project, and then receive bids from engineers and other professionals from around the world that are interested in completing the work. In theory these types of services work great; in reality, the low bids usually come from Asia, and the language barrier is often insurmountable.

No one has yet created a “brokerage” type service that provides language skills to allow individuals within the United States to efficiently connect to the labor force in Asia. The proposed Asian Language Center of Excellence at CNCC would have the potential to fill this need gap, and would provide employment opportunities for students and graduates.

Action Step 1 – Define Expertise and Conduct Feasibility Analysis

A language of expertise should be selected based on the geographic area of focus for the international flight program. A feasibility study should then be undertaken to validate and quantify the demand for “language brokerage” services.

Action Step 2 – Build Capacity

The vocabulary necessary for complex business and engineering conversations is much different than the vocabulary taught in typical language courses. CNCC would need to introduce specialized training and courses focused on translation, and business/engineering vocabulary to help students gain the skills necessary to communicate effectively between working groups in the US and Asia.

Action Step 3 – Create Brokerage Service Organization

It will be important to create a service organization that allows the new language experts to gain access to freelance markets. The organization could function as either a non-profit or as a for-profit entity. The brokerage organization would actively recruit students, and students would be able to leverage the reputation of the organization for future employment opportunities.

#3 – DOWNTOWN REDEVELOPMENT

Although the specifics have not yet been determined, a downtown redevelopment effort needs to be implemented in the downtown area of Rangely. Specifically, amenities that provide recreation, nightlife and retail opportunities will need to be considered. One of the most important factors to ensure the success of the downtown redevelopment strategy is to create foot traffic in the downtown core. One method of accomplishing this is to bring housing into the downtown. Medium to high density housing in conjunction to quality of life assets has the potential to revitalize the Town and bring activity to local businesses.

Action Step 1 – Determine Downtown Housing Demand

The amount of housing, and therefore the number of people living in the downtown core, will be a major driver for the success of businesses that will be co-located there. A study that identifies the number and type of housing units will provide a base from which additional amenities can be determined.

Action Step 2 – Feasibility Study

In conjunction with action step 1, a feasibility study should be conducted to determine the viability of downtown recreation and retail amenities. The goal of the feasibility study will be to right-size the development to make sure that it will be utilized and supported by the small rural community, without creating a burden to local taxpayers.

Action Step 3 – Financing Plan

It is unlikely that the development will occur without public participation. Public financing, through Rangely’s RDA or additional public sources will be critical to bring the downtown development

to fruition. The financing strategy will need to explore all potential sources of capital including donations, grants, and private investment.

#4 – CREATE LINKAGES BETWEEN CNCC AND DOWNTOWN

The CNCC campus is disconnected from Rangely’s downtown, which minimizes the impact the student population has on downtown businesses and the vibrancy of the downtown commercial corridor. Additionally, CNCC is currently over capacity in terms of student housing needs and has been looking for ways to add additional beds to meet student demand.

Consideration should be given with regards to the location and path of future development and planning efforts to create linkages between the community anchors of CNCC and the downtown.

Additional student housing could provide a significant benefit to the community if located in the downtown. The new development would draw students and visitors alike into the downtown corridor. Quality of life assets should also be included within the new downtown development to provide students with things to do. Recreation and entertainment amenities will help students connect with the community and will create vibrancy within the downtown core.

Improvements to the trail system between the college campus and downtown would make travel more convenient for mountain biking and OHV use. A mountain bike / OHV share program could provide students with a low-cost and fun means of transportation between the college campus and downtown Rangely.

Action Step 1 – Explore Partnership with CNCC & WRBMRPD

The WRBMRPD could provide leadership in the development of a community focused mountain bike / OHV program and trail improvement initiative with strategic participation from CNCC and the Town of Rangely. Funding sources available to each entity should be explored to identifying means to create the capacity for program adoption and ongoing maintenance and operation.

Action Step 2 – Mountain Biking / OHV Trail Improvements

An assessment of trail suitability should be conducted and needed improvements identified along these key corridors. Trails should be dedicated for either mountain biking or OHV use. Grant funding should be identified and secured to make improvements including trail markings and map kiosks. Trail maps should be developed that define the routes to downtown Rangely and provided to college students.

Action Step 3 – Mountain Biking / OHV Ride Share / Dealer

Many urban communities have adopted bike-sharing programs that allow short-term use for community bikes at a nominal fee. A similar concept should be explored in Rangely for mountain biking and OHV’s to provide students with a low-cost, convenient transportation option to downtown Rangely.

The benefits to students include cutting travel distance to downtown Rangely and providing an economic means of accessing critical amenities and services. Also, it would provide a distinct low-cost recreational opportunity not afforded by competing colleges and a unique asset that can be leveraged in recruiting student athletes and international students.

As patterns of use develop within the community and OHV demand grows, an OHV dealer should be recruited to provide purchase options for locals and visitors.

Action Step 4 – Path of Future Development

Future development should be tailored to take advantage of newly established patterns of travel between the college and the downtown. As growth at the college is accommodated, new housing developments and recreation/entertainment assets should follow these travel patterns and bring student housing closer to or within downtown Rangely. The mountain biking / OHV ride share program can provide the transportation infrastructure that seeds new development in closer proximity to downtown Rangely. As described above, the new student focused development will provide stronger physical and economic linkages between the student population and local businesses.

#5 – AIRCRAFT MAINTENANCE, REPAIR, AND OVERHAUL (MRO)

CNCC's aviation mechanics program and underemployed skilled workers in the local economy with welding and mechanical experience may present an opportunity to develop and sustain an MRO business at the Rangely airport. CNCC could provide oversight and "free" labor with their students to provide below market pricing for MRO services.

Action Step 1 – Survey College Staff and Leadership

Determine the ability of current college staff to undertake the implementation of an MRO facility and determine the best structure to move such an idea forward, giving significant consideration to a public/private partnership.

Action Step 2 – Feasibility Study

Collaborate with interested parties to determine whether advantages in cost or location can be achieved based on the competitive landscape of existing MRO's in the region and determine the economic feasibility of the MRO. Identify financing sources to help close gaps, as needed, to fund capital expenditures and start-up working capital.

Action Step 3 – Leverage Relationships to Develop Business

Should an MRO prove feasible, solicit participation of CNCC in reaching out to alumni in the aviation industry to drive business to the MRO. In addition, other plane users in the County as well as at neighboring Craig-Moffat, Rifle-Garfield, and Vernal airports should be approached to determine whether plane owners could be serviced in Rangely. Jet users within the County include Chevron and wealthy individuals in the Elk Creek Ranch development in Meeker. Ultimately, price will be the most significant driver of business to this facility.

#6 – DATA CENTER

As described previously, electricity usage rates in Rangely are less than 50% of the national and state average, which makes Rangely a very compelling location for big electricity users, such as data centers. Although it is not the only factor, electricity costs are a major component in an operator's decision to locate a center to a particular community.

Table 5 compares electricity rates, including demand charges, for a few select locations that either host data centers, or are currently in the process of acquiring a data center. The usage estimates are based on a relatively small, 4-MW data center. It is important to note that while usage rates are important, demand

charges make up a significant portion of the total bill and can sometimes outweigh the cost savings from a low usage rate.

Electricity Rates, 2014	Rate	Total Amount
Lower Valley Energy (Wyoming) - Large Power Service		
Demand Charge (per kW)	6.91	\$27,640
Energy Charge per (kWh)	\$0.0349	\$100,483
		\$128,123
Pacific Power (Oregon) - Large Non-Residential		
Demand Charge (per kW)	\$1.74	\$6,960
On-Peak Energy Charge (per kWh)	\$0.04816	\$83,220
Off-Peak Energy Charge (per kWh)	\$0.04716	\$54,328
		\$144,509
Moon Lake Electric - Large Power Service		
Demand Charge (per kW)	\$11.00	\$44,000
Energy Charge (per kWh)	\$0.03720	\$107,136
		\$151,136
Rocky Mountain Power (Salt Lake City) - Large General Service		
Facilities Charge (per kW)	\$4.71	\$18,840
Demand Charge (per kW)	\$12.88	\$51,520
Average Energy Charge (per kWh)	\$0.03963	\$114,148
		\$184,508
White River Electric Association - Large Power		
Demand Charge (per kW)	\$28.58	\$114,320
Energy Charge (per kWh)	\$0.0522	\$150,192
		\$264,512

Source: Each respective electricity provider's website

Table 5: Estimated Monthly Electricity Costs for a 4 MW Data Center

As shown in the Table 5, Rangely (via Moon Lake Electric) is in the middle of the range of the reference communities. Meeker has considerably higher electricity costs and would not likely be a competitive location unless a special deal were reached with

White River Electric Association. Because Rangely is more expensive than other data center focused areas, such as Oregon and Wyoming, additional incentives will likely be required to make up for the difference in electricity prices.

Depending on the size, a data center will likely only create five to seven new direct jobs within the community. However, a data center has the potential to create a significant number of secondary and tertiary jobs throughout the local economy. According to a recent book, *The New Geography of Jobs* by economist Enrico Moretti, the technology industry has a higher employment multiplier than every other industry. For example, each new technology/innovation job that enters a community typically creates an additional five jobs in the services economy. That impact is more than double the impact of creating a new manufacturing job (see Table 6).

Industry	New Jobs	Multiplier	Indirect Jobs Added	Total Job Creation
Manufacturing	5	1.6	8	13
High-Tech	5	5	25	30

Source: *The New Geography of Jobs* by Enrico Moretti

Table 6: Employment Multiplier Comparison

New indirect jobs created from the addition of high-tech jobs include highly skilled occupations such as doctors, nurses and teachers, and also unskilled labor such as construction, food service, and retail.

Action Step 1 – Feasibility Study

A feasibility study needs to be conducted to identify an appropriate location, and then verify that Moon Lake Electric has the capacity to supply reliable and consistent electricity in the volume

required for the data center in that location. Downtime is extremely costly for data centers, and therefore they require a reliable primary electricity source and redundant backup power systems in order to meet uptime requirements. Natural gas is typically the backup energy source of choice, which should be an advantage due to the abundant natural gas resources, infrastructure, and favorable prices in Rangely. The feasibility study will also include surveying fiber connectivity at the site to ensure redundant network access.

Action Step 2 – Operator Recruitment and Business Development

Running and maintaining a data center is a highly complex operation and requires specialized skills and expertise. Whereas the data center will be a first for the community, it will be necessary to recruit individuals and/or companies with the knowledge and skills to make the center successful.

The selected operator will develop a business model to verify feasibility and attract clients. There may be an opportunity to secure contracts with the State of Colorado to house agency data. State contracts would be beneficial for the data center, and may help attract support from the State legislature.

Action Step 3 – Financing Plan

The data center will likely have an initial price tag in the range of \$4-8 million, and will require substantial public investment to be successful. Action step 3 will identify sources of capital that can be used to supplement private investment in the center.

Action Step 4 – Long-term Education Initiatives

Recruiting outside labor to run the data center should be viewed as a short-term option. The long-term goal should be training the

youth of the community to be qualified to work at the data center, and in additional high-tech positions that will likely come as a result of the center. To accomplish this, a partnership should be explored between the data center operator and the Rangely School District to ensure that the schools are teaching the skills that would be important for future high-tech industry positions. Other districts throughout the country have implemented similar programs and are now placing students right out of high school into highly paid software engineering positions. There are curriculum programs available that could be implemented immediately through providers such as CodeHS and Code.org.

#7 – OUTDOOR RECREATION

The Town of Rangely has the potential to build out the current outdoor recreation offerings to improve quality of life for current and prospective residents. Specific recreational opportunities available in the area include OHV trails, mountain biking, river rafting, boating, and hiking.

Action Step 1 – Outdoor Recreation Audit

An in-depth, 3rd party audit should be conducted that compares outdoor recreation offerings in Rangely to those available throughout the region. The goal of this audit will be to identify specific assets that are both truly unique to Rangely, and that have the potential to improve quality of life and attract additional visitors.

Action Step 2 - Focused Development

Development efforts should be shifted to focus on the assets identified in the audit. There are many projects and trails that the town has identified as potential development areas, but focusing on all of them may spread the available resources too thin. Additional

state and federal grants should be pursued to catalyze development

Action Step 3 – Leverage the Rock Crawling Park

A significant PR push should be coordinated with one of the major Rock Crawling Park activities to educate attendees of the additional recreational opportunities that are available in the region.

SWOT – TOWN OF MEEKER

This strength, weaknesses, opportunities, and threats (SWOT) analysis for the Town of Meeker considers only those drivers within the local economy that are considered highly impactful. Although a more extensive and comprehensive SWOT list would highlight additional elements, these have been deemed insufficient to drive economic change within the local economy and as such are excluded for the purposes of this analysis.

STRENGTHS – TOWN OF MEEKER

In addition to the assets and strengths mentioned previously, the Town of Meeker has a well-defined street grid and historically significant buildings along Main Street that creates a unique sense of place and character. The Town also benefits from the surrounding agricultural industry and has a rich heritage of cattle and sheep ranching with many of these ranches having been passed down from generation to generation. Some second or third generation ranchers have other occupations and lease their land to third-party operators.

The Meeker region is well known for hunting, being the nearest town to favorable hunting access to the nearby Flat Tops Wilderness Area (“Flat Tops”), a designated and protected area within the Routt National Forest and the White River National Forest.

Flat Tops is home to one of the largest Elk Herds in North America, the White River Herd. During hunting season the region attracts a significant number of hunters to public lands and others who pay top dollar to stay and hunt on one of the various private elk ranches in the Meeker area.

Meeker is also home to manufacturing and service businesses in the recreational hunting industry, including Headhunter Bow Strings, Rocky Mountain Bow Strings, Antler Taxidermy, and various hunting outfitters. Meeker is unique in that it produces more bowstrings than any other city in the nation.

The ERBMRPD has developed the Meeker Recreation Center, which is highly regarded and has become a source of pride for Meeker residents. The facility boasts an aquatic area, water slides, and exercise rooms and is co-located with the Meeker School District baseball fields. The ERBMRPD has expressed interest in coordinating with the Town and County on future economic development efforts.

Meeker also hosts the Sheepdog Championship Trials, which brings in a few hundred people for an average stay of three days. This event benefits local businesses and hoteliers by providing a weekend of steady and predictable revenue.

Meeker also has an airport that is owned and operated by the County. The airport accommodates hunters and fisherman flying into the area as well as wealthy individuals with second homes in the area.

The Eastern Rio Blanco County Health Service District is wrapping up construction of the Pioneers Medical Center, a new hospital development to the east of Town that spurred the annexation of over 1,000 acres of land, doubling the Town’s geographic size. The

County made a significant investment to run the necessary infrastructure out to the site, which has created hundreds of acres of developable land with access to utilities.

Meeker is also home to the White River Electric Association (WREA), a local utility cooperative that provides service to Meeker and surrounding areas. The WREA has expressed interest in coordinating with the Town and County on economic development efforts.

Conservative financial management combined with tax revenues generated during the last oil & gas boom has provided many of the special service districts and County with funding surpluses.

WEAKNESSES – TOWN OF MEEKER

Meeker’s location is removed from I-70 and doesn’t benefit from proximity to major transportation corridors. The Town’s remote location, small population, and lack of amenities are a disadvantage with respect to attracting and retaining businesses and a skilled workforce.

Meeker’s economy is also largely dependent on the oil and gas industry. This industry concentration leaves it susceptible to large employment and population fluctuations during boom and bust cycles, similar to the Town of Rangely.

Besides the fishing and hunting assets and Sheepdog Trials, which drive seasonal or periodic tourism, there are no year-round regional attractions that have been developed in the Town or surrounding region. As such, hoteliers that had previously relied on the oil & gas industry now struggle to fill their hotels.

Funding for the Meeker School District has seen significant contraction due to the recent decline in the oil & gas industry and the mechanism employed by the State of Colorado to allocate school

funding across the State. A recent mill tax levy was proposed to fill this financing gap, but was not approved by voters. School funding gaps or inadequate fiscal management, if not appropriately addressed, can negatively impact school performance, quality of life, and the ability to attract and retain businesses and a skilled workforce.

The Meeker School District is currently meeting state expectations in all categories, except Academic Growth Gaps, but that trend could change if the funding gap is not alleviated.

Meeker RE1		
Performance Indicators	Rating	% of Points Earned
Academic Achievement	Meets	72.2%
Academic Growth	Meets	64.5%
Academic Growth Gaps	Approaching	50.6%
College & Workforce Readiness	Meets	85.7%
Test Participation (95% Expectation)	Meets	-
Total	Accredited	71.0%

Source: CO Dept. of Education, District Performance Framework 2014

Table 7: Meeker School District Performance

As described in the Meeker Asset Inventory section of this report, the highway, Main Street, and the river run in parallel with each other, but no pedestrian or development corridors exist that connect these three assets. As such, the Main Street businesses suffer from an inability to draw people into the historic corridor. Because the highway lacks a controlled intersection, pedestrian access to the river is inhibited.

There are not any licensed childcare providers in Meeker, which is a significant impediment to the community. Access to licensed

and high quality childcare facilities is vital when it comes to recruiting new potential employers in the current economic environment. A greater percentage of households throughout the country are relying upon multiple income earners, which is nearly impossible without sufficient childcare facilities.

OPPORTUNITIES – TOWN OF MEEKER

Developing amenities along the river and creating walkable pedestrian corridors from downtown to the river will allow the community to leverage this natural amenity and provide an additional quality of life asset to residents and visitors alike. These improvements should be coupled with additional private investment and redevelopment.

The new Pioneers Medical Center and surrounding developable acreage present an opportunity to create an age-in-place community. This should be patterned after similar successful developments in other rural communities.

Close proximity to great hunting assets should be leveraged by the Town to expand its shooting sport industry.

The bowstring manufacturers engineering capabilities can also be leveraged to provide entrepreneurs within the Town, County, and region with access to knowledge resources for production design.

Shooting sport amenities should also be considered as a way to attract and capture additional disposable income from visiting hunters as well as provide residents with a quality of life asset.

The presence of cattle and sheep ranching operations provide demand for a USDA certified meat-processing plant. A local business has expressed interest in developing and operating the plant, which will provide value-added food production with steady

wages and opportunities for additional expansion in other food production areas such as poultry.

A culinary arts school concept has received support among many members of the community. CNCC had been approached about establishing a teaching facility in Meeker but had indicated there was insufficient local demand to warrant the investment.

Community development assets such as a movie theater, bowling alley, family fun center, and child daycare were common themes in interviews with community stakeholders. Another opportunity mentioned was the presence of hot springs just outside the Town that could be re-established and promoted as a tourist attraction.

THREATS – TOWN OF MEEKER

The Town's industry concentration in oil & gas is the largest external threat the local economy faces as the oil and gas industry is subject to global price fluctuations in the oil & gas market. A decline in demand or oversupply of oil & gas will result in producers restricting supply to existing production assets that operate at low break-even points and cutting back exploration. Local employment is largely dependent on these external forces.

The health and population of the White River Elk Herd determines the number of hunting licenses issued and the resulting influx of hunters to Meeker during the hunting season. A rapid decline in the population due to a severe winter a number of years ago resulted in a significant drop in hunting licenses being issued.

Restrictions on the imposition of taxes through the TABOR and Gallagher Amendment have limited the ability of local districts to cover funding shortfalls. In addition, the State of Colorado public school funding mechanism was designed by legislators to take funding from affluent school districts and re-distribute it to low-

income districts. Many rural communities along the Western Slope have faced significant funding gaps due to these policies.

This has resulted in additional mill levy taxes being imposed by local districts to cover funding shortfalls. In instances where mill levies are not approved by voters, such as in Meeker, funding gaps continue to exist and other avenues must be pursued to close the gap, ultimately resulting in service reductions to district students.

RECOMMENDATIONS – TOWN OF MEEKER

#1 – STRATEGIC REDEVELOPMENT

Strategic redevelopment should be focused on eliminating blight, creating entryways to the Town, expanding the downtown, and interconnecting the White River with Market Street and Main Street. This strategy will provide the community with corridors that leverage the community's natural beauty. The first corridor project should focus on developing a downtown gateway on Market Street with a corridor that extends north to Main Street and south to the river.

Redevelopment along this corridor should be focused on the two blocks on either side of 5th Street between Market and Water Streets and be comprised of entertainment and recreation uses. These uses could include a movie theater (with a community theater), bowling alley, family fun center, grocery store, high-end restaurant, and culinary arts center. A childcare center could be incorporated into the development to accommodate parental date nights and the day care needs of the local workforce as described previously in this report.

Action Step 1 – Project Pre-development

Funding should be secured for pre-development activities. These include market feasibility, corridor planning, environmental studies, land assemblage, and option contract consideration.

While determining project feasibility, private sector businesses with development and operational experience in the proposed uses should be surveyed. Their input regarding the levels of private participation that could be supported provided local market conditions should be used to develop financing assumptions. A capital stack should then be developed to identify funding sources and public private participation levels. Gap financing needs should be identified and preliminary public incentives and investment commitments secured.

Private sector businesses with development and operational experience in the proposed uses should be recruited to invest in the project and assume operational risk. Preliminary agreement should be reached on the levels of public and private investment required to meet required investor returns.

Funding sources should then be secured, development and inter-local agreements executed, and architectural and design work completed and approved.

Action Step 2 – Corridor Improvements

Corridor improvements should be incorporated into the project plan and financing secured. These improvements should include the streetscape, right of way, and pedestrian friendly intersections.

The streetscape and right of way should be designed with sufficient width to accommodate pedestrians, bikes, parking, land-

scaping, on-street dining, and lamp lighting. The design should encourage pedestrian activity and vibrancy along the corridor. Ultimately, the corridor should serve as a gateway to historic Main Street.

In the future as traffic counts dictate, a controlled intersection within the redevelopment corridor along Market Street should be developed with financing secured through the Colorado Department of Transportation (CDOT). This will serve two purposes: 1) allow pedestrians to safely cross Market Street, and 2) stop through traffic in Meeker. Stopping traffic at this beautified corridor will encourage travelers to park and explore. The town leadership previously petitioned CDOT for the permission to create a controlled intersection, but CDOT turned down the proposal. While current traffic counts do not justify a fully controlled intersection, an alternative, such as a lighted pedestrian crosswalk, could be implemented now and would allow for improved pedestrian access along the proposed corridor.

Action Step 3 – Business Improvement District

A business improvement district (BID) should be established with local downtown businesses. BID's are separate non-profit legal entities dedicated to assisting businesses with improving and maintaining infrastructure, recruiting businesses to the area and putting on events to draw people to the area. Funding for projects and initiatives comes through an assessment within the district that is outlined and approved by the business community.

#2 – RIVER CORRIDOR, AMENITIES, & EVENTS

The redevelopment plan mentioned above should be combined with the development of a public riverfront park and recreation area stretching from 1st to 10th Street. These developments should happen in parallel.

The riverfront park should include a river trail, gazebos, picnic tables, fishing areas, kayaking, and tubing. Street terminations from 1st to 10th Street should be improved to beautify access points to the park.

Action Step 1 – Strategic Partnerships

The ERBMRPD is already exploring this concept along the river and has retained a design firm to develop preliminary plans. The County, Town, and ERBMRPD should coordinate planning efforts to incorporate and integrate planned improvements along the river with the downtown redevelopment opportunities identified above.

Pre-development roles, funding participation levels and commitments should be decided upon and secured from each public entity.

Action Step 2 - Assemblage

As with any redevelopment project, control of required properties should be secured using option contracts. This provides the purchaser with the right to purchase rather than an obligation to do so. Option contracts should be executed only when all property owners have agreed to sell. This minimizes risks associated with holdouts and places pressure on owners to participate together in a community minded manner. In some instances, owners may want to be relocated to similar property and those needs should be accommodated.

Action Step 3 - Financing

Grant funding should be solicited from Federal and State sources to fund as much of the riverfront improvements as possible. Donations from wealthy individuals, non-profit conservation and

habitat protection groups, and others should be solicited and secured. The project would also be an ideal candidate for a GOCO Grant.

Maintenance and improvement costs should be determined and sources for ongoing revenue identified to maintain the park.

Action Step 4 – River Events

River events should be organized and held to attract additional visitors into the community. Effective planning of river amenities and walkable corridors will encourage visitors to recreate along the river, be entertained along Market Street, stay at local hotels, and patronize the local businesses along Main Street.

Action Step 5 - Riverfront Re-development

The anchor redevelopment project and riverfront park mentioned above under recommendations #1 and #2, respectively, will catalyze additional private investment. These recreation and entertainment assets should be leveraged to redevelop additional blocks along Market Street that incorporate pedestrian friendly corridors between Main Street and the river. Although the final form of the project may vary, a basic concept for

how recommendations #1 and #2 can fit together is shown in Figure 4.

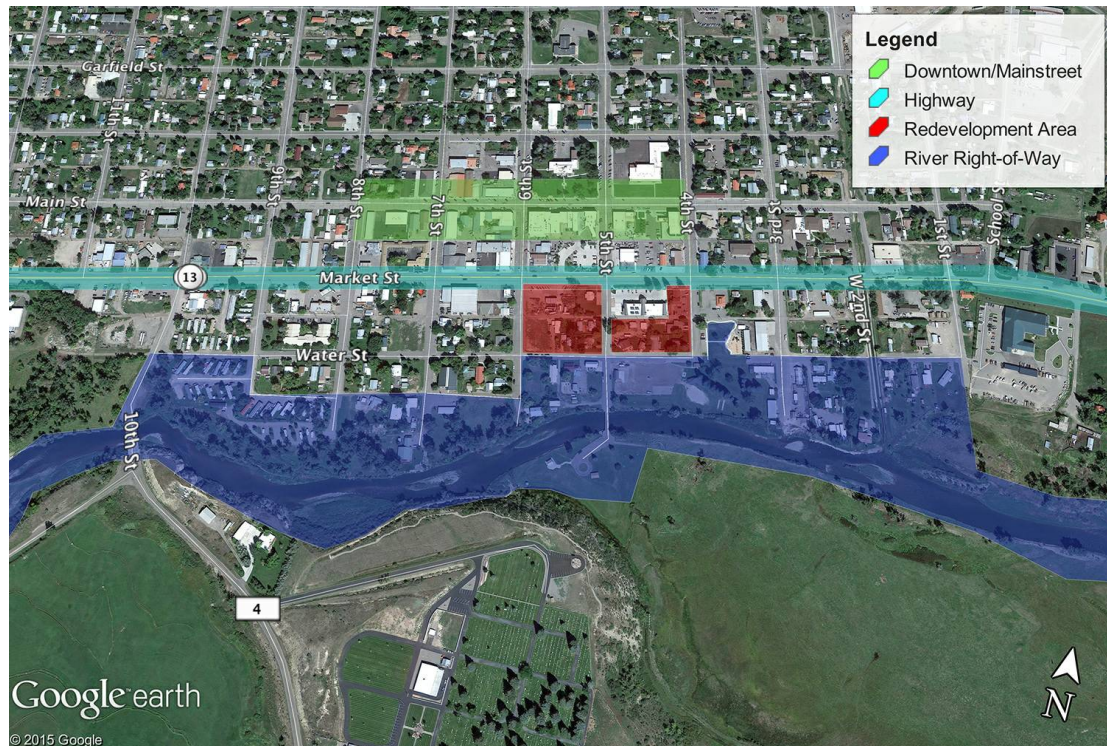


Figure 4: Redevelopment Concept Map

#3 – OUTDOOR RECREATION

Meeker has the potential to become a recreation mecca on the Western Slope, and possibly for all of Colorado. Boulder, Colorado has long been the benchmark for outdoor recreation enthusiasts, and Meeker has the capacity to meet, and in some cases, exceed that benchmark.

Once the corridor and entertainment amenities are developed near the river, over 90% of the population of Meeker will be within one mile, or a six-minute bike ride

from a world class fishing spot with beautiful scenery and wonderful entertainment amenities. Additionally, over 90% of the population is within one mile, or a six-minute bike ride from trail-heads that access the scenic mountains.

In Boulder, much of the population is between three and five miles, or a seventeen to thirty-minute bike ride away from the mountain trails, and an even greater distance away from the water recreation assets. Additionally, the streets of Boulder are much more congested with traffic than Meeker, and commute times can stretch even longer during busy times of the day.

The town-owned property west of town and north of Highway 13, also referred to as Ute Park, is an underdeveloped area that could be turned into a significant recreation asset. Ute Park is used to host the Meeker Classic Sheepdog Championship Trials each year, but the rest of the year it is used as pasture ground for cattle. The 126-acre parcel would be an ideal location for family recreation activities such as athletic fields, remote controlled (RC) plane and helicopter flying fields, model rocket launching grounds, a ropes course and many other potential uses. These types of activities require a lot of open space without obstructions such as trees and buildings, and this site could be a unique and beautiful location that could accommodate all of these uses.

The capped-off hot spring near town is a historical asset that could be explored as part of the recreation mecca concept. The spring was capped off primarily due to environmental concerns. However, these issues could most likely be resolved with additional investment. The opportunity by itself may not have the traction to warrant investment and a re-opening, but it may work if it is paired with the other recreational components mentioned herein.

Action Step 1 – Recreation Master Plan Update

The recreation master plan should be updated to include all of the elements discussed herein. The master plan should place priority on the river concept mentioned in recommendation #2, but should include future phases that will incorporate family recreation facilities at Ute Park.

Action Step 2 – Leverage Outdoor Recreation Assets to Attract Employers

Family recreation is an important element when it comes to recruiting new businesses and employees for those businesses to a community. With all of the family friendly recreation elements described above, Meeker will be in a powerful position to recruit employers and entrepreneurs.

Action Step 3 – Outdoor Family Fun Festival

To our knowledge, the only “family fun” focused festival in Colorado is the Rocky Mountain PBS Fun Fest held in Denver each fall. A committee should be organized to explore the possibility of hosting an outdoor family fun festival in Meeker. Meeker would be able to offer a unique experience that is far superior to what is possible in a downtown urban environment such as Denver. Activities for all age groups could be held at the many parks throughout the community, and adults could go on guided fishing trips in town, or up-river. The impact of such a festival would extend far beyond the event itself, and will provide exposure to help recruit additional tourists and employers.

#4 – MEAT PROCESSING PLANT

A local meat distribution company has experienced significant growth and has expressed interest in the development and operation of a meat processing plant.

Action Step 1 – Business Plan and Pro-Forma

The company should work with the SBDC to develop a business plan and pro-forma for the new operation. Identification of pre-development, construction, and certification costs should be calculated. The CSU-Extension should also be approached about performing a feasibility study on the proposed project.

Action Step 2 – Secure Incentives & Bank Financing

Grants, loans, and other incentives through USDA should be secured to help finance the project. USDA Business & Industry (B&I) approved lenders should be approached to lend on the project. The owners indicated that they would sign personal guarantees.

The project would also be a good fit for the USDA Rural Economic Development Loan & Grant Program (REDLG), which would require a local telecomm or utility provider to act as a funding intermediary. WREA expressed interest and may participate provided it makes good business sense.

#5 – CULINARY ARTS SCHOOL BRANCH CAMPUS

The development of a riverfront park along with entertainment and recreation assets should be leveraged to recruit a culinary arts extension to the proposed redevelopment project recommended above.

An established culinary arts institute could operate the extension. Another option would be to partner with existing institutes to provide their students with short (1 to 2 weeks) experiential learning courses focused on a “farm-to-table” experience. The extension would have a niche focus on educating students on ranch-to-table and river-to-table supply chains, meat production standards, and sustainable ranching and fishing.

Action Step 1 – Recruitment

There are a number of art institutes that have branch campuses across the country. These include:

- The Art Institutes with 52 locations, the nearest location being in Denver;
- Le Cordon Bleu with 16 campus locations;
- International Culinary Center with locations in New York City and Silicon Valley;
- Culinary Institute of America with campus locations in New York, Napa Valley, and San Antonio;

There are various other schools that should also be approached to gauge their interest in participating.

Action Step 2 – Strategic Location

The culinary arts extension should be located in the redevelopment area and provide room demand for local hotels, access for students to the surrounding entertainment and recreation assets, and vibrancy to the corridor.

Action Step 3 – Funding Sources

Grant and loan incentives for the project could be secured through the USDA REDLG program. The program provides grant and loan funding for facilities and equipment to provide education and

training to residents of rural areas that will facilitate economic development. It also provides funding for projects that utilize advanced telecommunications or computer networks to facilitate medical or educational services or job training.

Grants under this program are repaid to the financing intermediary and create a revolving loan fund that can be used for financing other small businesses.

Action Step 4 – Regional Partnerships

In order to provide a true farm-to-table education, the Meeker campus should partner with communities such as Paonia, a community with a burgeoning organic farming industry with various crops and fruits. Students could split their time between Meeker and Paonia.

Action Step 5 – High-End Restaurant

The establishment of the culinary arts extension should be leveraged to create a high-end restaurant run by students that caters to wealthy customers. The restaurant would have riverfront views and be open during certain times of the year to maintain an exclusive clientele. The restaurant would help with positioning the culinary school as well as branding the community.

Action Step 6 – Colorado Creative District

The culinary arts opportunity should be leveraged with the community theater (as part of the movie theater project), Antler Taxidermy, and other local artists to seek designation of the downtown as a creative district with the State of Colorado. This designation provides loan funds to help expand, enhance, and strengthen creative assets within the district.

#6 - SHOOTING SPORTS CLUSTER EXPANSION

As previously mentioned, Meeker manufactures more bow strings than any other city in the nation. Its proximity to wildlife recreation positions the community to leverage these existing assets to grow its shooting sports cluster.

Action Step 1 – Bow Manufacturer Recruiting

There are approximately twenty-two bow manufacturers with operations in various parts of the country. Relocation incentives and a recruiting strategy should be developed to approach each manufacturer regarding their interest in relocating to Meeker.

Industry events should also be attended to market the community to businesses. Marketing spreads in industry publications should also be pursued.

Action Step 2 – Shooting Sports Amenities

As most hunters check their scoping accuracy and practice targeting prior to hunting, world-class shooting ranges should be developed. This will position the Town as a preferred hunting destination and capture additional disposable income of visiting hunters. This facility should be located in close proximity to downtown so as to encourage visitors to stop and explore.

Action Step 3 – Shooting Sport Expansion

Additional businesses in the shooting sports industry should be pursued in addition to bow manufacturing. This shift in focus should happen after a few new businesses within the cluster have relocated to the community. This creates a sense of momentum and critical mass that provides a compelling story for other businesses in related cluster areas to consider relocation to Meeker.

#7 – INNOVATION CENTER

One of the most difficult aspects of starting a new business is securing access to the expertise and the resources that are necessary to launch a new product or idea. Even though the United States is seen as a prime location for innovation, there are surprisingly few resources available that provide a true “one-stop-shop” to help entrepreneurs, and even existing businesses get their ideas off the ground.

Along the Western Slope of Colorado, several communities are exploring a new type of innovation center concept that is focused on filling the need gap described above to help products go from concept to prototype. However, an additional piece of the continuum is necessary... going from prototype to low to moderate volume manufacturing.

Most currently available manufacturing equipment is too expensive for startup companies, and is often too rigid to be modified as a new product goes through development iterations. The bow-string manufacturers in Meeker have already done this internally, taking inexpensive off-the-shelf parts, and creating some of the most precise manufacturing equipment in the world. This is a unique skill that could be leveraged to fit in nicely with innovation centers being pursued throughout the region.

Action Step 1 – Determine Engineering Capabilities

Discussions with local firms should be conducted to determine the extent of their engineering capabilities and interest in participating in an engineering innovation center.

Action Step 2 – Strategic Partnerships

The innovation center should be coupled with the entrepreneur ecosystem along the Western Slope so referrals to the center are

coming from outside the community. In addition, the center should be operated by the private sector so it is focused on bringing profitable products to market.

Action Step 3 - Define Core Competency

The innovation center should define its core competency and focus on doing one thing really well. Entrepreneurs will be more likely to utilize the innovation center if it is specialized in one area, which it does better than any other center in the region or State.

#8 – AGE-IN-PLACE RETIREMENT COMMUNITIES

The new Pioneers Medical Center and surrounding developable acreage present an opportunity to create an age-in-place community. This should be patterned after successful developments in rural communities.

Action Step 1 – Assess Demand

A feasibility study should be conducted for the region and broader market to assess demand for an age-in-place community in Meeker next to the hospital. The study should identify product types, construction cost, and profitability.

Action Step 2 – Attract Developer

Concurrent with Step 1, have discussions with local landowners regarding willingness to sell or participate as an equity partner in the development. Determine willingness of the hospital district to participate in the project. Depending on the level of hospital district involvement, recruit a developer that has experience in building out age-in-place communities. The developer chosen should have experience in working in rural communities and strong marketing capabilities to attract residents from outside the area.

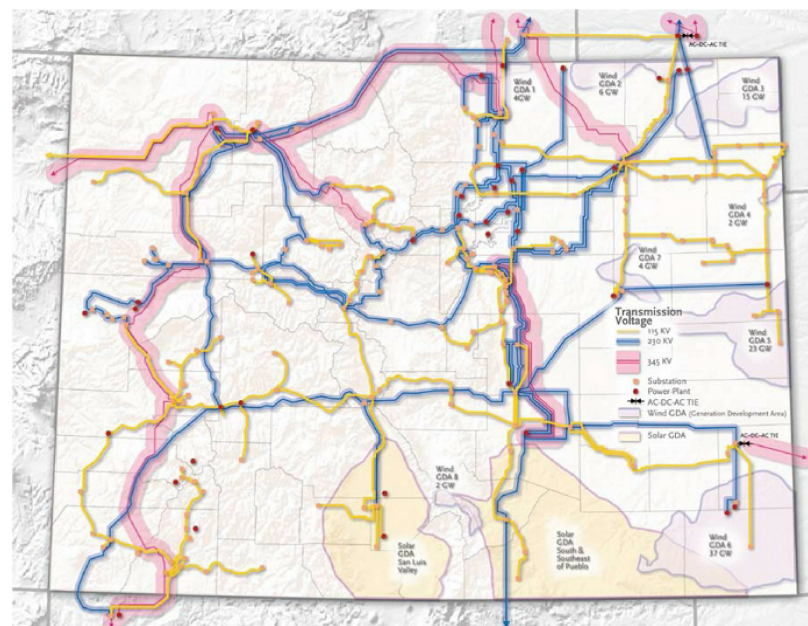
Action Step 3 – Public Private Investment

Work with the developer to determine infrastructure needs for the development and the public investment needed to catalyze private investment. Enter into a development agreement with the developer.

RECOMMENDATIONS – RIO BLANCO COUNTY

NATURAL GAS POWER PLANT

Rio Blanco County is ideally positioned for a natural gas power plant due its proximity to abundant natural gas supply and high-voltage transmission lines (see Figure 5). Recruiting a natural gas power plant to the county will be a tremendous undertaking, but it has the potential to be a true legacy project that will benefit the county for generations to come. The effort should originate, and should be driven by Rio Blanco County leadership due to the size and scope of the project.



Source: Colorado Energy Office

Figure 5: Transmission Lines in Colorado

The US Energy Information Administration estimates a new 400 MW Advanced Generation natural gas plant will cost approximately \$409 million. Based on other similarly sized projects, such as the Langely Gulch gas power plant in Idaho, the project will likely create more than 100 jobs during the construction phase, and approximately 15-20 permanent jobs over the life of the plant. Although the number of ongoing jobs is relatively small, the new jobs will be high paying and stable positions. A project of this size will take multiple years to plan and carry out, so it will be important to begin discussions as quickly as possible.

From an initial analysis, a site near Meeker may require less investment due to its position near existing high voltage transmis-

sion lines. According to a recent report from the Western Electricity Coordinating Council, the cost of constructing a new high voltage double circuit transmission line (345 kV) is greater than \$2 million per mile. The construction cost of new transmission lines may preclude Rangely as a possible site because the closest distance to tie into another high voltage line would be at least 10 miles. That distance would require an additional \$20 million in capital costs that could be avoided by choosing to locate near Meeker. However, it may be possible to structure other incentives near Rangely that would make up for the additional \$20 million in infrastructure investment.

It is important to note that a new power plant would benefit both communities, no matter where it is located within the county. The goal should be to select a site that has the best potential to gain traction and attract investment.

Action Step 1 – Pre-development

Pre-development efforts will include identifying which partners and potential operators would be most likely to locate to Rio Blanco County, and validating the interest that these operators would have in an additional power plant within their network. These conversations should also be used to assess infrastructure requirements (transmission capacity, water rights and natural gas supply availability) to make sure that Rio Blanco County has the potential to compete on a regional level.

Action Step 2 – Feasibility Analysis

Due to the size and scope of the project, a national consulting firm that specializes in new power plant construction should be hired to conduct a feasibility study for Rio Blanco County. At minimum, the study and analysis should address the following topics:

- Infrastructure requirements
- Demand analysis
- Capital improvement estimates
- Off-site construction requirements
- Site recommendations
- Environmental impact study
- Economic impact study (looking specifically at job creation and property tax increment)
- Operator recruitment strategy
- Incentive strategy and financing plan
- Multi-phase project schedule

A firm such as NERA Economic Consultants should be able to provide the required consulting services.

Action Step 3 – Political Strategy

Armed with the results of the feasibility study, County leadership should begin “pounding the pavement” to recruit and attract interest in the power plant. It will require meeting with state officials to get the necessary approvals, and also meeting with local citizens to help them understand the benefits. Many citizens will likely express concerns of environmental impact, and quality of life impacts. Therefore, it will be important to have data from the feasibility analysis in hand to provide facts to questions and alleviate potential concerns.

The County should also begin strategizing on how to create an incentive package necessary to compete on a regional, and possibly a national level. Due to the national scale of the electricity grid, power plant operators have some flexibility on where to locate a generation facility, granted the site has access to transmission lines. Therefore, Rio Blanco County is competing with the rest of Colorado, and the Western United States as a potential site. The

county should be aggressive in assembling an incentive package and actively recruiting potential operators.

ADDITIONAL STAKEHOLDERS

Each of the parties mentioned above in the various recommendations and actions steps are crucial stakeholders in the process of developing and implementing the redevelopment plans. In addition to those mentioned above, there are a number of influential individuals in each community that will be important partners in moving forward.

RANGELY

The Town of Rangely hosts several self-made millionaires that are deeply interested in the success of the community. These individuals made their money by building and growing companies within the oil industry and have had at least one, and sometimes several successful exits. Bud and June Striegel are two of these individuals that are focused on sharing their wealth and experience for the benefit of the community. This duo has already engaged in a number of development projects including a waterfall and a soon to open classic car museum.

Mayor Frank Huitt also fits in this category not only because of his position as Mayor, but also in his love for the community and access to resources.

These individuals, and a few others, have already invested significant amounts of personal money to improve the community, but collectively the impact could be much greater. This group of individuals should be approached strategically with the opportunity to participate in the development projects described above with a clear vision of how their participation will enable the project to move forward successfully. Their participation may help influence

others, such as Chevron, to invest in projects that otherwise would be overlooked by the large corporations in the area.

MEEKER

Similar to Rangely, Meeker is home to several successful former executives and entrepreneurs that have business knowledge, financial resources and connections that can be leveraged not only in redevelopment projects, but also in the recruitment and startup of the new industries mentioned above. In particular, the individuals residing up-river in areas such as the Elk Creek Ranch should be viewed as a tremendous sleeping asset that can be awakened with the opportunity to participate in the right project.

There are several individuals within the community that have strong connections with the wealthy and educated class up-river, but also have a great love and desire to help the Town of Meeker. These individuals should be involved in the planning stages of potential development projects to determine which projects would receive the most support from the up-river communities.

DEVELOPMENT ORGANIZATIONS

There are numerous development agencies and programs available to assist in the redevelopment of the downtown regions of both Rangely and Meeker. Some of these programs offer strengths and capabilities that can be leveraged simultaneously to maximize the potential impact. The core competencies, as well as potential for collaboration will be outlined below.

SBDC

The Grand Junction Small Business Development Center (SBDC) services Rio Blanco County. While the majority of the programs and initiatives are focused in Mesa County, the center has recently

started hosting seminars and workshops in Rangely and Meeker. These seminars are excellent tools for new and potential business owners and should continue with full support of the community and the Chamber of Commerce. In addition to very small businesses and new startups, the resources at the SBC can and should be leveraged by larger organizations within the community. The Small Business Administration (SBA), which manages the SBDC program, typically defines a small business as having less than 500 employees. Most of the employers in Rio Blanco County fit that description, and thus will qualify for the help, support, and many of the grants administered through the SBDC and the SBA.

Many of the mid-sized employers in the County are not aware that they qualify for this assistance, which is an area where the SBDC and the respective Chambers could work together to identify mid-sized businesses with the most potential to scale, keeping in mind that some of these companies may not be current Chamber members. Once the Chamber has identified and provided the names of these businesses, the SBDC can help provide assistance in growth strategies and can also help identify and secure financing resources to carry out the strategy. Education will have to be done to teach local mid-sized businesses (such as the bowstring manufacturers in Meeker) about the resources that are available and the advantages of working with the SBDC. Most employers in this size category may feel like the SBDC has little to offer because the centers typically focus on small startups, but there are many examples of larger companies receiving assistance to grow. Julie Morey at the SBDC has expressed interest in coordinating with the Chambers in this regard and will be a great asset to local business owners.

Another service offered by the SBDC is the community “Economic Gardening” program. This service has a one-time fee of \$175, but it gives members access to state personnel and professionals that

have powerful market research and data mining tools. The program will be a perfect fit for companies that are trying to expand into new markets.

CHAMBERS OF COMMERCE

The greatest asset that each Chamber of Commerce has is their network of businesses and business minded individuals throughout the community. Many of these individuals, particularly in Rangely, have built very successful companies that were subsequently acquired by larger organizations for a substantial profit. Many of these individuals are now retired, but have a vast wealth of knowledge of how to start and grow a business in a rural community. Some of the skill sets will be different based on the type of business, but the general business skills of the successful businesses can be greater leveraged to assist those that are starting out or looking to grow. In this regard, there exists the potential for a natural partnership between the Chambers and the SBDC.

For example, the Chamber may recommend a company to go to the SBDC for help conducting marketing research to expand into additional markets. Once the Chamber and the SBDC are united in assisting the same companies, the Chamber can leverage its network to connect the company and the SBDC with a mentor from the area that could provide help and coaching. With the right opportunity and the right plan, this may be a program that could entice some of the retired executives from the Elk Creek Ranch development to participate in the mentorship program and become more active in the local economy.

Another area for collaboration between the SBDC and the Chambers is in gathering local, real-time business and demographic data. DOLA and various other state and federal agencies gather demographic and business data on a regular basis, but it is often a challenge to drill down into the information deep enough to make

meaningful and educated decisions on the local level. In this regard, the Chambers can work with the SBDC to inform them of real-time changes in the new and existing businesses (such as number of employees, relevant industries (NAICS Codes), job openings, and gaps in the marketplace. Ultimately, this knowledge will help the SBDC identify opportunities for additional small businesses that will help fill the market gaps and resources can be funneled toward emerging opportunities. Gathering the data is time intensive, and the Chambers may need to re-allocate resources to allow someone to gather this information.

Tasks and Timelines

Task 1

Organize a coordination meeting. Responsible Party: Chambers of Commerce. Timeline: Can be scheduled immediately.

The purpose of the initial meeting will be to cast the vision of what is possible with a close collaboration between the parties, and to discuss additional opportunities for working together and address any organizational concerns. The SBDC office is based out of Grand Junction and covers a lot of territory, thus it will be important for this effort to be led and driven by the Chambers, as it might otherwise get lost amongst the many programs and priorities of the SBDC.

Task 2

Share member and job data between the Chambers and the SBDC. Responsible Party: Chambers of Commerce. Timeline: Task should begin within two weeks of the organization meeting. Some elements of the task can be completed within a few weeks, while other elements, such as data collection, will be ongoing.

Based on the outcome of the initial planning meeting, Chamber member lists should be shared with the SBDC to allow them to

begin baseline job and industry tracking. Both groups should work together to identify companies that are ready to scale and that would be the best fit for SBDC coaching. Once identified, the Chamber should reach out to potential SBDC clients and discuss the potential benefits from participating in the program.

Task 3

Select one to three companies to receive individualized growth and expansion counseling from the SBDC. Responsible Party: SBDC. Timeline: Three to six months.

The number of initial companies will be driven by resource availability at the SBDC, but care should be taken not to select too many initial clients as to not spread resources too thin.

Task 4

Create public awareness. Responsible party: SBDC. Timeline: Three to six months

In addition to the targeted approach described above, this program should be discussed publicly to help identify future participants and build momentum. For example, the next round of public workshops taught by the SBDC should be focused on growing existing businesses, and all Chamber members should receive a personal invitation to attend.

MAIN STREET PROGRAM

The National Main Street Program, administered locally through DOLA, is a training and education program focused on revitalizing downtowns and creating positive momentum in the redevelopment of a community. The basic concept is valuable because a town or city is typically identified and “branded” by the appearance of its downtown. However, in context of the experience that Better City has had in other communities, the methods by which

the Main Street program attempts to affect change are typically not capable of producing the significant impacts necessary to substantially shift the economic drivers in a downtown.

For example, quoting from the National Main Street Program's website:

“Successful revitalization programs begin with basic, simple activities that demonstrate that ‘new things are happening’ in the commercial district.”

Additionally, the major focus of the Main Street program is on visual appearance. Again, quoting from the website:

“An appealing atmosphere, created through attention to all of these visual elements, conveys a positive message about the commercial district and what it has to offer.”

In Better City's experience, small and incremental steps like the ones described by the program is akin to a doctor treating symptoms rather than the underlying problems of an ailment. In addition, small incremental projects typically don't lead to significant job growth and it causes the public to lose interest in future development projects.

Take for example the City of Superior, Wisconsin. Over a period of several years, the city, county, and state invested \$10 million in improving the visual appearance and infrastructure of an important downtown street with the idea that by doing so, businesses would flock to the area to be part of the movement. Several years and \$10 million later, only two new businesses have located to the street: a donut shop, and a candy store. Although important, these types of businesses are not substantial enough to serve as the economic driver necessary to maintain a downtown over time. And Superior's experience is not unique. Many other cities have implemented similar downtown beautification strategies, only to

find that within ten years or less, the downtown is in a similar state that it was before the investment was made.

The alternative approach, and the approach taken by Better City, is to focus on large and strategic projects that substantially alter the economics of the downtown. What is needed is a foundational shift in the downtown, rather than a facelift. Large projects have the potential of changing the economic drivers in a downtown, which changes the dynamics enough to create additional demand for local goods and services. As a result, local businesses are more profitable and have the resources necessary to invest in their own façade improvements.

With that in mind, there still may be a role for the Main Street program in Rio Blanco County, and specifically in Meeker. The program can be looked at as a way to maintain the positive momentum created from a large strategic project. The mini-grants awarded to Main Street participants (in the range of \$5,000 to \$10,000) are not enough to undertake foundational improvements, but are enough to make consistent improvements over time once the economics of the downtown have shifted. Therefore, the County should approach the program with the intention of it being a support system, and not a complete solution. The town leadership should be careful not be enticed into the notion that small incremental changes will produce the results necessary over time.

VISIONARY PLANNING

A community visioning and planning meeting was held in Meeker, Colorado on May 14th, 2015. In attendance were representatives and stakeholders from the communities of Rangely and Meeker. During the meeting, topics and concepts contained in this report were presented to the group for feedback and discussion. The

purpose of the meeting was to ensure that the community is involved in the planning process, and to create channels of communication to allow the community to provide the vision for their future, and ultimately is empowered to make that vision a reality. In addition to discussing the ideas and concepts described in the initial drafts of this document, the group provided additional ideas and concepts, which have subsequently been included in the final version of this report. Details regarding which additional items were added or modified will be outlined below.

MEEKER

The community response for the projects and direction for Meeker was largely positive. The community expressed great interest and excitement in the downtown and river corridor concept. Several stakeholders provided feedback that similar concepts have been mentioned and explored in the past, but the historical political and social environment prevented substantial progress from being made. Several community members expressed the feeling that the scope of the proposed project and the timing may provide the necessary traction to move the project forward.

The USDA certified meat processing plant concept was favorably accepted, although some expressed concern about whether there would be enough local demand to sustain a plant, given that several existing custom meat processing plants have struggled historically. The second and third phase of Better City's strategic planning process will delve deeper into the specifics as to the ability of the market to sustain the operation. However, initial impressions regarding the matter suggest that the size, scale, and scope of the newly proposed processing center would be able to overcome the operating difficulties experienced by previous operators.

The culinary concept was received neutrally overall, with some expressing interest, while others expressing concern because the concept has been explored in the past. Better City's suggestion of partnering with existing culinary programs was received positively.

The shooting sports cluster expansion generated a lot of interest and excitement from the community members. Several in attendance did not realize the size or significance of the existing bow-stringing manufacturers, and expressed excitement of the possibility of leveraging the region's natural resources to expand the employment base in this cluster.

The innovation center concept was neutrally accepted, but it became apparent in the discussions that additional information and details about these types of centers needed to be added to the report. The additional information has been included in the final version.

The group viewed the age-in-place concept favorably. The community is very proud of the new hospital, and the possibility of new growth and development in that area of town was viewed as a great opportunity. The community didn't express any apprehension regarding the growth of the retired demographic.

Additional concepts and ideas that were submitted from the group, both during the meeting and in some individual conversations afterwards, include re-opening of the hot springs east of town and a natural gas power plant. These concepts were added to the report.

RANGELY

The group viewed the international flight program in Rangely favorably, although there was a considerable amount of concern regarding the cost of the program and the timing. The group expressed enthusiasm in recruiting additional students to CNCC and to the town that wouldn't go home on the weekends and that would contribute more to the local economy. The group discussed methods of bolstering the connection between international students and the town, such as new international student housing located in or near the downtown.

The group expressed interest in the concept regarding strengthening the linkages and trails between CNCC and downtown. It was pointed out that the Town of Rangely has already invested a significant amount of resources improving the trails and connections between the downtown and CNCC campus, although it was admitted that additional investment is needed to continue to improve the linkages.

Much like the international flight program, the group viewed the MRO proposal in Rangely with cautious optimism. Again, the concern was on funding, and the ability to mobilize CNCC resources.

Additional concepts in Rangely include a data center, a natural gas power plant, downtown redevelopment, additional outdoor recreation attention, and quality of life assets. These topics were included in the final version of this report.

NEXT STEPS

Looking ahead, Phase II and Phase III of the project will dive deeper into the economics of the community, to verify and validate the feasibility of the proposed projects listed in Phase I of the project.

Specifically, Phase II is an economic assessment that will look at tax collection trends, demographic trends, real estate needs, etc. to determine additional economic development needs. Focus will be placed on identifying industries that will help diversify the economy and create additional employment opportunities within the county.

Phase III will identify and analyze the industry clusters that are present in the county, and will identify opportunities to expand those clusters to create additional jobs. A few of these clusters have been mentioned in Phase I, but additional analysis is necessary to identify the best strategy to grow existing clusters and attract additional ones to the region.

Phase IV will integrate all of the phases into a cohesive plan, and will provide more details regarding the timeline and the steps necessary to implement the strategy and create real results on the ground. Each phase will build on each other to create a workable plan that has the potential to make a lasting impact on the County.

CONCLUSION

Rio Blanco County has experienced significant economic swings in the past, but there are a number of community strengths and assets that can be joined together to create a unique story that will seed future growth and diversification.

Within the Town of Meeker, the focus should be placed on connecting the three major physical assets (the downtown, the highway and the river) with a walkable corridor that includes recreation and entertainment elements that will drive traffic and help stabilize the existing downtown businesses. The development will help establish Meeker as a unique and beautiful place to live and build a business.

In Rangely, CNCC is a major employer and is uniquely positioned to grow its aviation program to meet the growing need of new pilots. Recruiting international students will not only benefit the college, but it will introduce new, semi-permanent residents to the community to support local businesses.

These projects serve as the core of many additional projects in each community that can work synergistically to stabilize existing companies and create opportunities for additional industries to come to the area.



Rio Blanco County Economic Development Strategy

Phase II – Economic Assessment

Prepared by: Better City

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EXECUTIVE SUMMARY

In the past year, Rio Blanco County (the “County”) has seen a decline in its economy as activity within the oil and gas industry has slowed due to a global supply glut. Oil and gas has historically been the dominating industry within the County and support industries have been negatively impacted with the slow-down. A viable economic strategy for the County will need to identify the best ways to leverage the strength of the oil and gas industry to provide additional, higher wage jobs and identify other areas to diversify the local economy.

This report provides an assessment of the current state of the County’s economy. Subsequent reports will include forward-looking market analysis, in depth comparisons between the County and other comparable counties in the region, and recommended action items.

DEMOGRAPHICS AND EMPLOYMENT

The County experienced steady population growth between 2006 and 2012 primarily driven by a combination of natural population growth and migration. The population has remained relatively flat since then and experienced out migration in 2013 and 2014.

Unemployment declined from a high in 2010 of 8.9% to approximately 6.25% today. The unemployment level is higher than the statewide average of 4.58% and the national average of 5.5%.

REVENUES AND WAGES

Revenues for local businesses declined by nearly \$140M between 2009 and 2013. The most prominent industries in the County as measured by payroll expenditures are oil and gas/mining, government (including public education) and construction.

Exports of goods and services (including tourism) are estimated to contribute \$226M to the local economy. Personal transfers such as social security benefits and investment income are estimated to contribute another \$95M. Wages (including net commuter wages) and personal transfers combine for a total personal income of \$321M, or \$47,179 per capita using 2014 population estimates. This method of personal income calculation yields a similar result as the calculation performed by the Bureau of Economic Analysis (BEA). The BEA calculation for 2013 shows personal income per capita as just shy of \$43,000.

INDUSTRIES

Industries that have been key drivers for the economy from 2001-2014 have been oil and gas, mining, government, including public education, and construction. Niche manufacturing is a potential industry that is poised for additional growth.

LOCAL ECONOMIC MODEL

A simplified model of a local economy identifies the key flows of labor, capital, and goods and services. Figure 1 depicts these flows, and quantifies those for which data is available. All data within the model is for the year 2014, except the population and labor force data, which is as of the first quarter of 2015. A brief explanation of the model follows:

County residents (G) provide labor (I) to local industries (L, M) and receive wages (H) in return. In addition to those who live and work in the County, portions of the workforce commute in (P) or out (C) of the County in exchange for wages that flow out of (Q) or into (D) the County, respectively. Local industry can be separated into two general categories: Direct Basic industries (L) that export goods and services (O) outside of the County and Non-Basic industries (M) that primarily provide goods and services (J) to local residents for payment (K). Basic industry exports are the key source of outside revenue (N) for the local economy.

In addition to shopping at local businesses, County residents purchase goods and services (E) from outlying communities (including online) in exchange for payment (F). Likewise, businesses within the County import goods and services (R) from other communities for payment (S). Finally, County residents receive additional funds from outside transfers of capital (A) into the economy. Examples of personal transfers include government transfers such as Social Security, unemployment compensation, and investment income. Transfers out of the local economy (B)

include savings, contributions for government social insurance, and taxes.

Items B, E, F, J, O, R and S are only qualitatively described as quantitative information is not available.

The following sections and subsections of the report will detail how the various data points in the local economic model were derived.

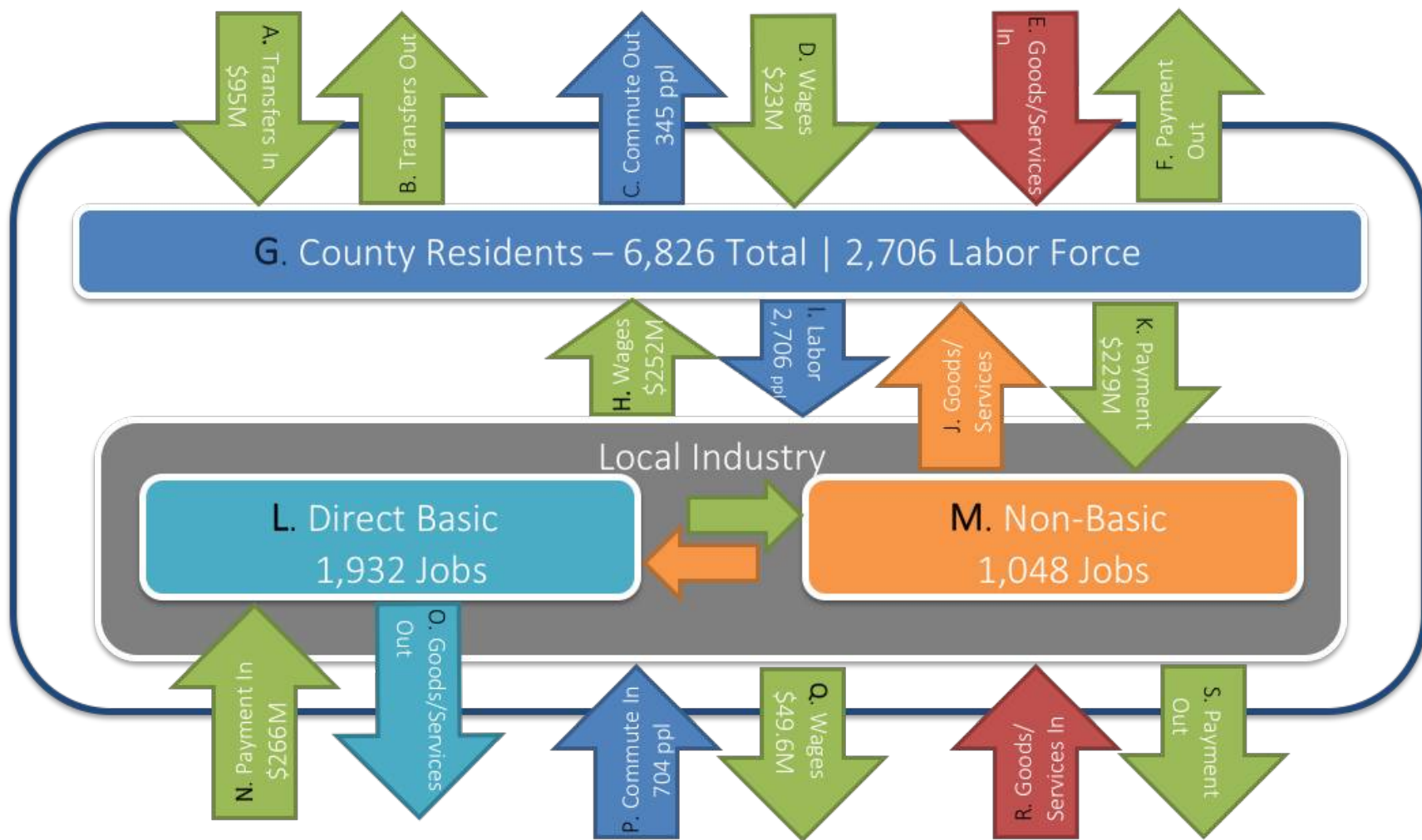


Figure 1: Rio Blanco County Local Economic Model

DEMOGRAPHIC ASSESSMENT AND BASELINE DATA

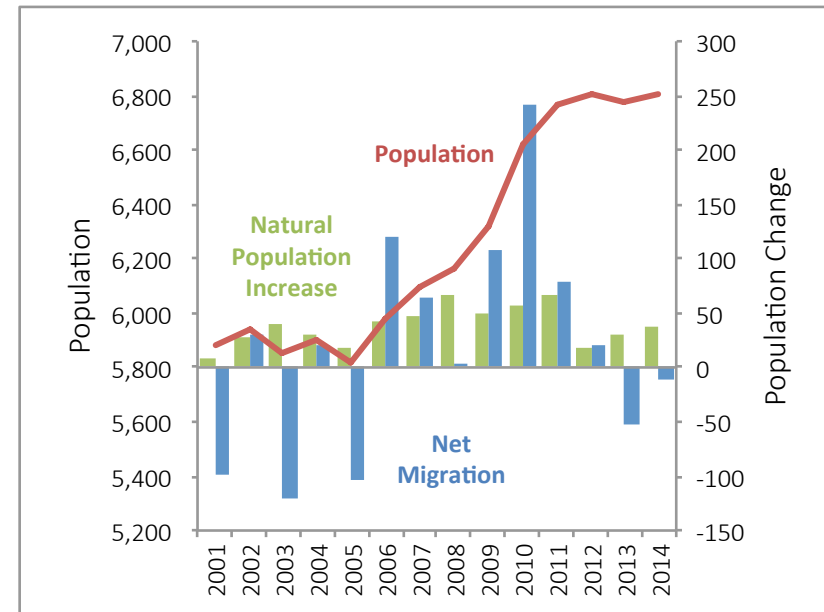
COUNTY RESIDENTS

Population is a key component of a local economy's productive capacity. An increase in the size or skill level of the local labor force typically increases the output of the economy. However, because the local population also represents the consumers of economic output, an increase in population size does not necessarily equate to an improvement in local economic conditions. For this to occur, economic output and productivity need to outpace population growth.

Population data from DOLA is based on extrapolations from the 2000 and 2010 Census. It is important to note that non-census years are estimates and may not reflect each community's actual population. Also, CNCC students are included in the population counts, insofar as they made themselves available during Census data gathering efforts.

The 2015 population is estimated at 6,826 with the population split quite evenly between Meeker, Rangely and unincorporated areas of the County. The County experienced gradual population decrease through the early 2000's due to several years of significant negative net migration. The population grew steadily from 2006-2012 driven by a mixture of migration and natural population increase (see Figure 2). The County has experienced outmigration for the most recent two years, losing approximately 50 and 10 residents, respectively. Outmigration, combined with a

decrease in natural population growth, has caused the overall population to plateau. Overall, the County's population grew at an average rate of 0.9% between 2001-2009 and at a rate of 1.3% from 2009-2015.

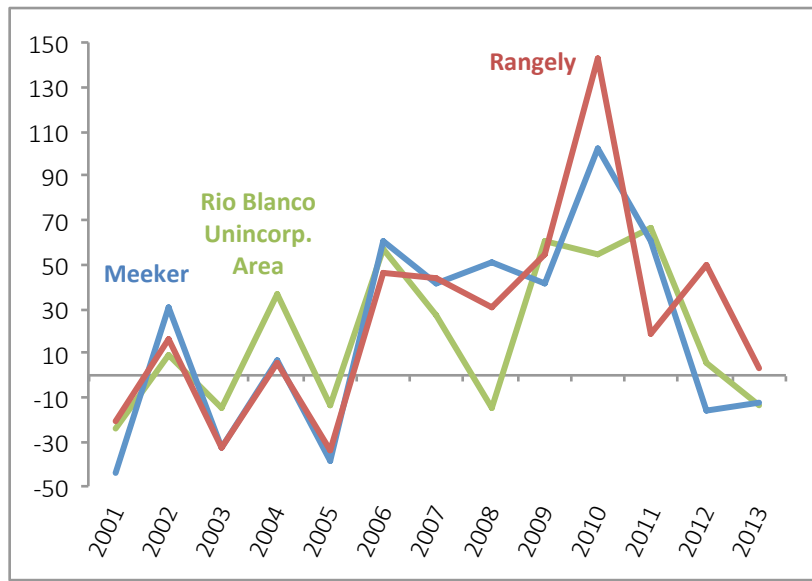


Source: DOLA

Figure 2: Rio Blanco County Population 2001-2014

Figure 3 depicts population change by community. The patterns of growth and decline within the towns and the unincorporated areas of the County are very similar, showing that factors that affect one community, affect the unincorporated areas of the County and vice versa. Municipal-specific population estimates are not available for 2014 or 2015. The large peaks in Meeker and Rangely for the year 2010 may be partially due to correc-

tions based on census data. It is more likely that the actual population growth took place during the years 2006-2009 when oil and gas related activity in the County reached its peak. As described previously, population changes due to local factors are not always captured in real-time by DOLA.



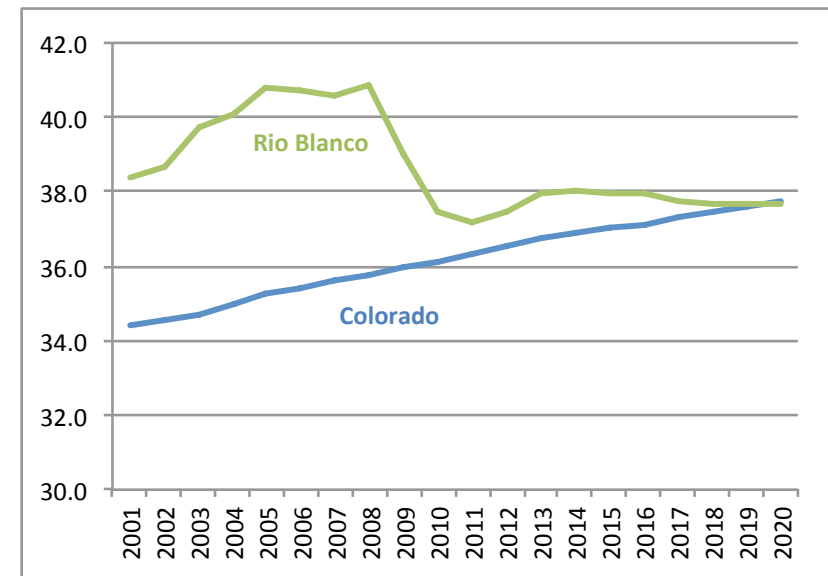
Source: DOLA

Figure 3: Rio Blanco Population Change by Community 2001-2013

Median Age

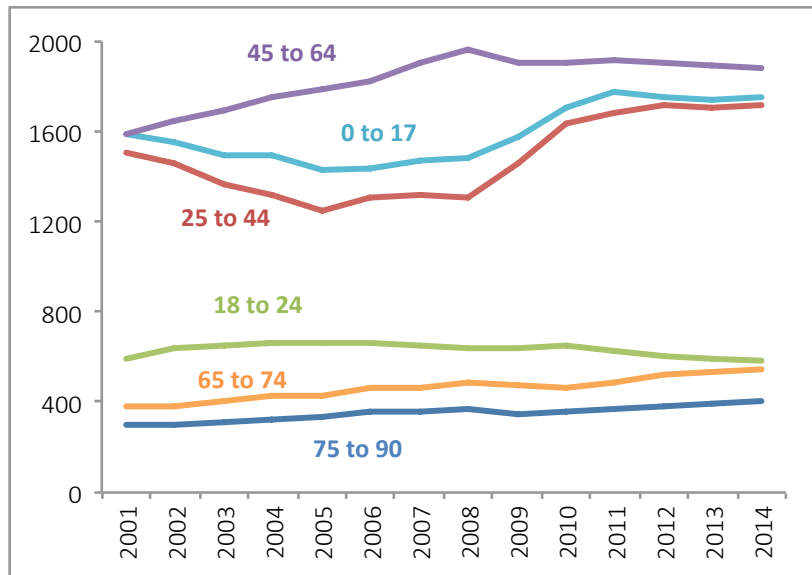
Rio Blanco County's median age increased from 38.4 in 2000 to 40.8 in 2008, which was well above the state average (see Figure 4). The Median age subsequently decreased to 38 in 2014, and is expected to hold steady and decline slightly until it aligns with the Colorado state average in the year 2020. The decrease in me-

dian age is attributed to an increase in the 0-17 age group, as well as an increase in the 25-44 age group (see Figure 5).



Source: DOLA

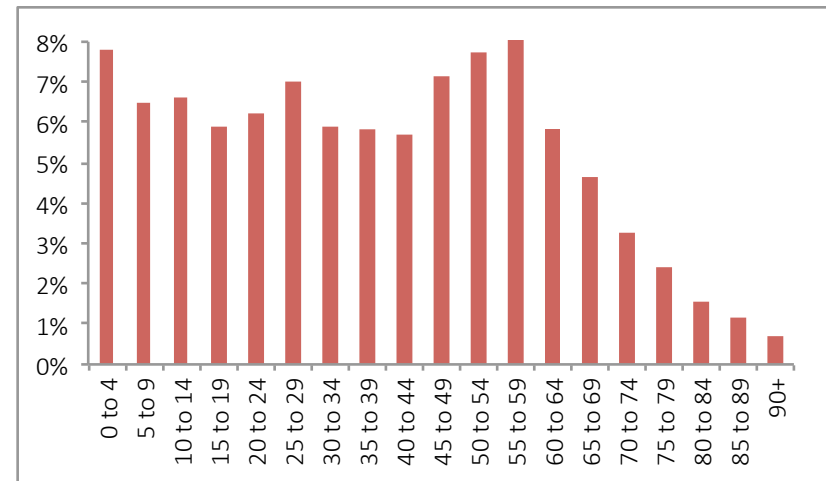
Figure 4: Median Age 2001-2020



Source: DOLA

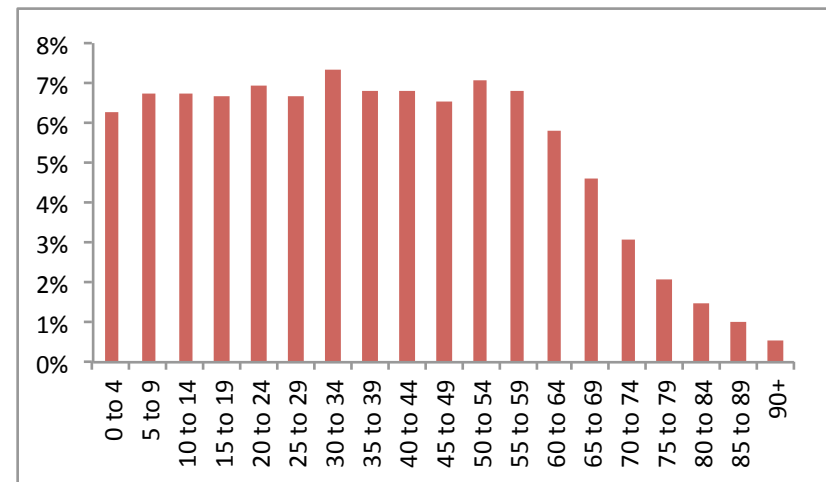
Figure 5: Rio Blanco County Population by Age 2001-2014

The median age is significantly higher than the State due to a slightly higher concentration of individuals aged 45-60 (see Figure 6 and Figure 7). This is coupled with a lower concentration of individuals aged 15-19 and 30-40. The decreasing median age trend since 2008 is an important factor because otherwise, there may not be enough new workers in the labor force to replace those that are retiring.



Source DOLA

Figure 6: Rio Blanco County Population by Age 2014



Source: DOLA

Figure 7: Colorado Population by Age 2014

The nation, and Colorado in particular, is beginning to feel the effects of the retiring “Baby Boomer” population. The mass retirement, often referred to as the “Silver Tsunami,” has the potential to create a significant negative impact if communities are not prepared. For example, fewer workers paying taxes and more strain on social security and Medicare can result in budget problems with expenditures far outweighing revenues.

The Millennial Generation

The County should place particular focus on a demographic group referred to as the “Millennials.” The term refers to individuals that were born roughly between 1980 and the early 2000’s, or aged approximately 15-35 in the year 2015. As of the summer of 2015, this demographic is now the largest living generation in the United States, and by the year 2020 will make up one-third of the entire adult population.

Much of the discussion surrounding Millennials has been focused around their supposed lack of desire for home ownership, and their delaying of previous cultural milestones such as marriage and child bearing. However, recent studies and surveys have reported the opposite, that Millennials are very much interested in home ownership and still have plans for marriage and children, albeit on a different time frame than their parents.

Millennials hold nearly \$1 Trillion in student loan debt, which has been a major factor in delaying home purchases. Some estimate that Millennials also collectively hold \$1 Trillion in pent-up housing demand that will eventually enter the market in the coming years. For example, a survey conducted by TD Bank found that upwards of 84% of Millennial renters intend to purchase a

home.¹ What is different about this generation is what they are looking for when they do decide to purchase a home.

For example, a survey conducted by Wakefield Research reported that “...Millennials look more for value than ‘pizzazz’ in a new home. Seventy-seven percent [said] they preferred an ‘essential’ home over a ‘luxury’ model. And more than half (56%) believe the technological capabilities of a house are more important than its ‘curb appeal.’²

The report goes on to say that “Millennials also take their concern for the environment into account when choosing a home. Almost half (45%) don’t want a home that wastes energy.”

Millennials have also shown a preference to live in higher density neighborhoods, unlike their parents who aspired for the suburbs. Millennials have a greater desire to connect with their community, and want easy access to restaurants, nightlife, entertainment, etc. which is typically most easily accomplished in higher density developments.

Additional general values of the Millennial Generation include social responsibility, exercise and fitness, and affinity toward outdoor recreation. In terms of outdoor recreation opportunities, Millennials look for “adventure” activities that provide a unique experience and opportunities to connect with others.³

¹ Reported by *Forbes Magazine*

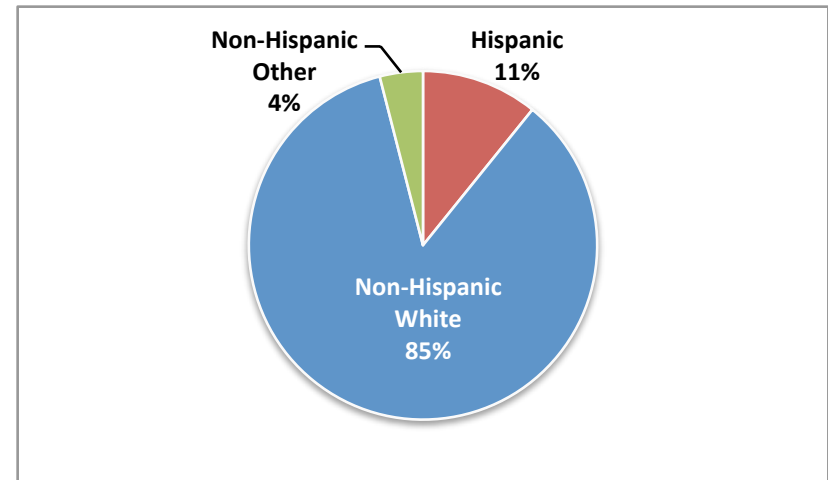
² Reported by *The New Geography*, 2013

³ *American Millennials: Deciphering the Enigma Generation*. A joint research study by the Barkley ad agency and The Boston Consulting Group.

In summary, Millennials seek job opportunities within communities that allow them to live, work, play, and recreate in the same area. And when they do travel, which is quite frequently, it's usually to experience another community that allows them to relax, recreate, and connect with family and friends. The recommendations in the Phase I portion of the report, particularly those surrounding downtown entertainment opportunities and outdoor recreation, should help attract new Millennials to the County which will further help maintain and possibly decrease the median age.

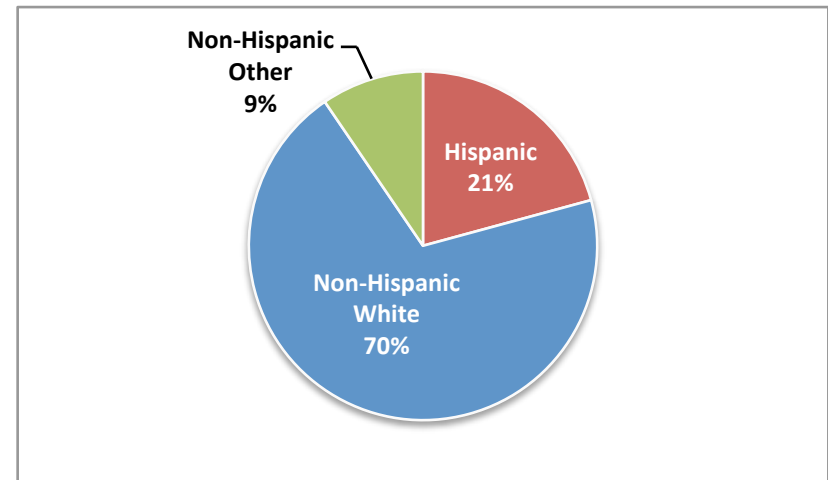
Ethnic Diversity

The County population is more ethnically homogeneous than the State as a whole (see Figure 8 and Figure 9). Specifically, the County has a Hispanic population that is approximately half the size of the State average on a percentage basis.



Source: ACS 5-Year Estimate

Figure 8: Rio Blanco County Population by Ethnicity 2013



Source: ACS 5-year Estimate

Figure 9: Colorado Population by Ethnicity 2013

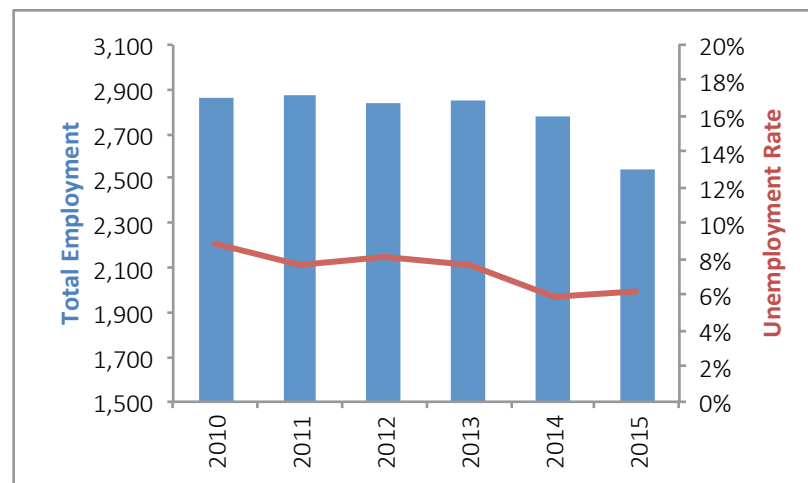
Non-Farm Employment

Indicators such as the number of people employed and the unemployment rate typically illustrate the current state of an economy. However, due to the transient nature of the oil and gas workforce, these numbers can be skewed. For example, as the oil and gas industry downsizes a portion of unemployed workers migrate to find work elsewhere and wouldn't necessarily show up in unemployment calculations.

The County saw a slight decline in the number of people employed from 2,866 in 2010 to an estimated 2,782 in 2014, as depicted in Figure 10. The unemployment rate fell over the same period from 8.9% to 5.82%. The drop in unemployment cannot be attributed to an increase in employment, and therefore signals a decrease in labor force participation or worker migration, which will be discussed in greater detail later in this report.

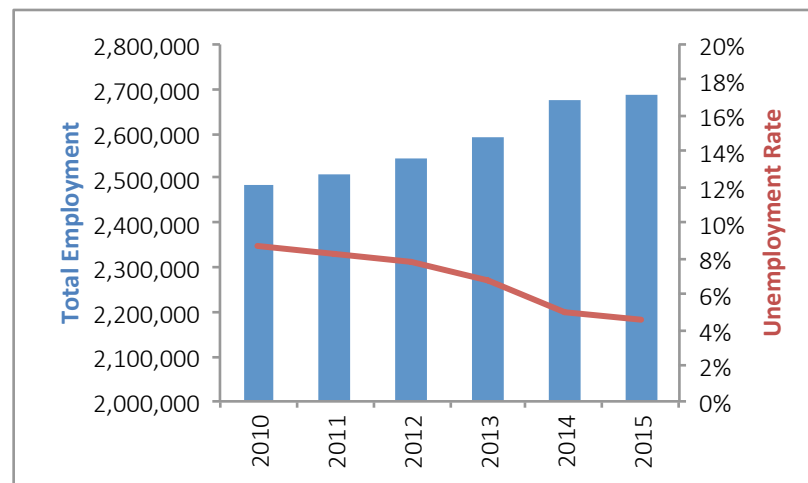
Total employment fell significantly in 2015 to 2,537, effectively increasing the unemployment rate to 6.25%. The data only covers the first quarter of 2015, and is therefore considered preliminary. However, the data is reflective of anecdotal evidence from local citizens of the decrease in employment due to the current oil and gas slump and the ripple effect throughout supporting industries. The downward trend may prove accurate through the rest of the year depending on activity in the oil and gas sector.

The employment trends in the County are in sharp contrast to the rest of the State, which saw steady employment growth and unemployment rates decline from 2010 to the present (see Figure 11).



Source: BLS

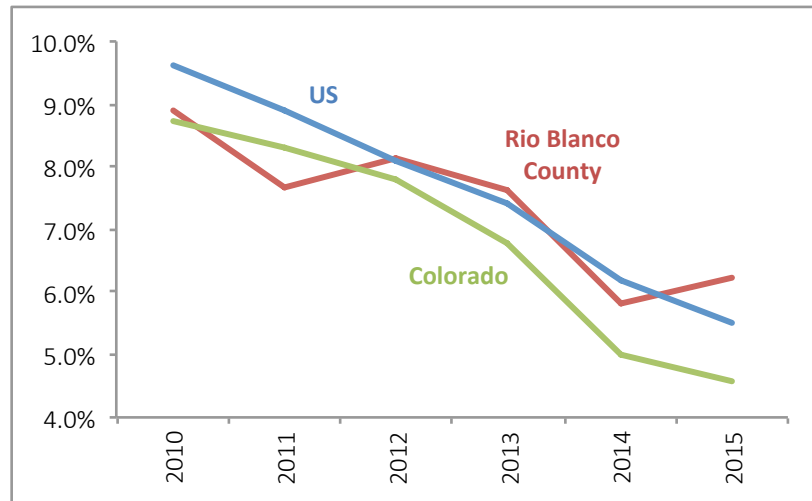
Figure 10: Rio Blanco County Employment 2010-2015



Source: BLS

Figure 11: Colorado Employment 2010-2015

The unemployment level in the County was below State and national averages in 2011, but is currently higher than both (see Figure 12). As described previously, 2015 only includes the first quarter and is a preliminary figure.



Source: BLS

Figure 12: Unemployment 2010-2015

Total Jobs

Employment data does not capture the impact of workers commuting into or out of the County, nor does it take into account individuals who work multiple jobs. These additional factors need to be considered to capture an accurate picture of the employment opportunities within the County. Table 1 incorporates data and projections from the State Demography Office, the Census Bureau, and the Bureau of Labor Statistics to provide an estimate of the number of commuters into and out of the County, the number of multiple jobholders, and the resulting total number of jobs in the County. There are fewer employed County resi-

dents than there are available jobs. This difference is explained by a net inflow of commuters.

Rio Blanco County	Total	%
Population	6,778	
Population 16+	5,330	78.6%
Labor Force	2,954	55.4%
Employed	2,782	94.2%
Commute Out	-345	-12.4%
Commute In	704	25.3%
Net Commuters	359	12.9%
Multiple Job Holders	-161	-5.8%
Jobs	2,980	

Source: DOLA, BLS, ACS 5-year Estimate

Table 1: Rio Blanco County Employment Overview 2014

Farm Employment

Agriculture and farming plays a significant role in the County. Farm employment is left out of most industry data, including those provided by BLS, DOLA and the ACS. The United States Department of Agriculture ("USDA") conducts its own analysis of farm labor (see Table 2). The market value of crops sold has not been included in the local economic model contained in this report because of a lack of granularity in the data to understand where the products are sold and to whom. However, it is likely that the majority of crops are exported out of the County and represent an additional boost to the local economy.

Rio Blanco County	2007	2012
Number of Farms	285	313
Land in Farms (acres)	386,577	507,343
Avg. Size of Farms (acres)	1,356	1,621
Market Value of Products Sold (thousands)	\$15,563	\$24,412
Crop Sales	N/A	16%
Livestock Sales	N/A	84%
Avg. per Farm	\$54,607	\$77,995
Government Payments	\$573,000	\$786,000
Avg. per Farm Receiving Payments	\$8,064	\$16,714

Source: USDA Census of Agriculture

Table 2: Economic Impact of Farming

REVENUES, TAXES, WAGES, AND TRANSFERS

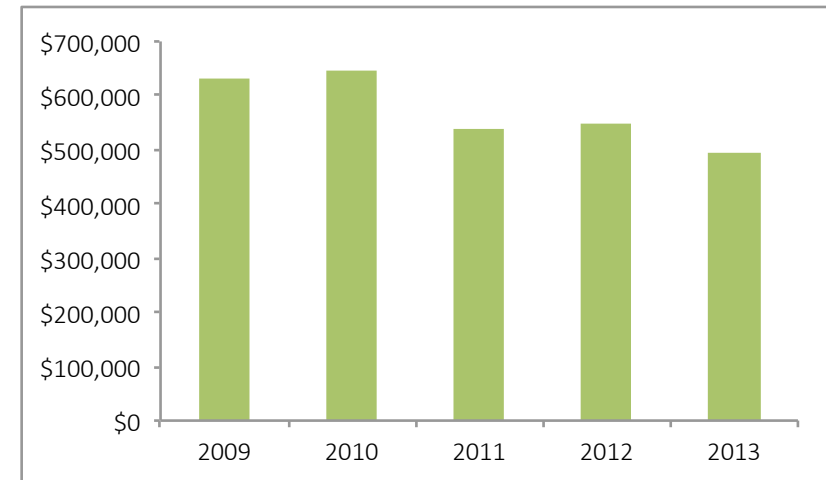
Export revenues, net personal transfers including government transfers and investment income, and net commuter wages are the three sources of external revenue for the local economy. Net commuter wages, net transfers and payment for imports are the sources of capital outflows. Therefore, the primary strategies to increase the flow of capital to local residents include:

- Expand or add exporting industries
- Attract individuals to the community with positive net personal transfers (retirees, investors)
- Attract commuters to live in the community
- Reduce imports

Identifying the size and relationship of these inflows and outflows is important in determining the impact of each of these strategies.

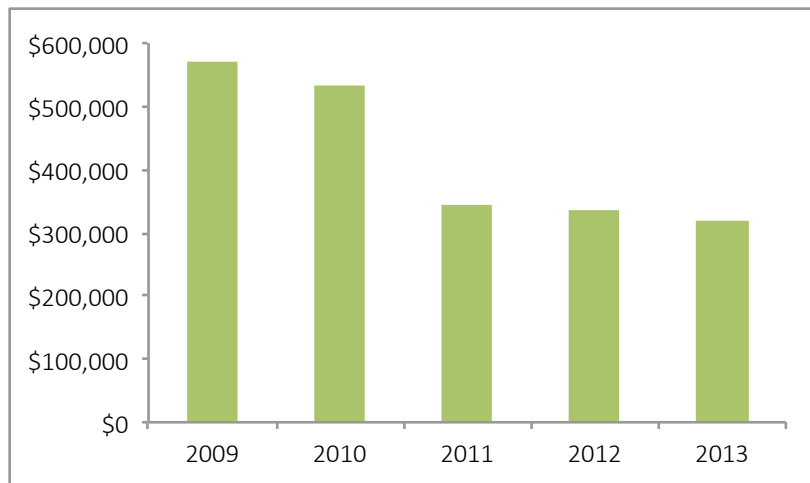
Revenue

Figure 13 shows gross sales for all industries in the County according to the Colorado Department of Revenue. Gross revenue at local businesses fell over \$100 million between 2010 and 2011, followed by a slight increase in 2012 and another drop in 2013. The decline is attributable to a decrease in retail sales as shown in Figure 14.



Source: Colorado Department of Revenue

Figure 13: Rio Blanco County Gross Sales 2009-2013



Source: Colorado Department of Revenue

Figure 14: Rio Blanco County Retail Sales 2009-2013

Table 3 estimates the portion of revenues attributable to direct basic industries (see Item N on Page 8) and non-basic industries (see Item K on Page 8) based upon the percentage of total payroll associated with direct basic jobs.⁴

	2013
Gross Sales	\$495,556
Basic Industry Payroll - % of Total	53.7%
Export Sales	\$266,291
Local Sales	\$229,265

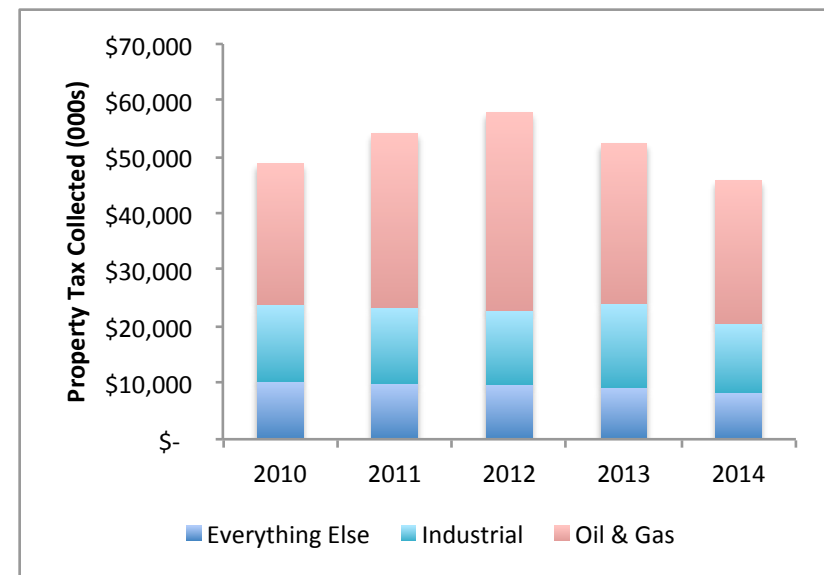
Source: Colorado Department of Revenue, BLS

Table 3: Rio Blanco County Export/Local Gross Sales 2013 (000s)

⁴ The percentage of total payroll associated with direct basic jobs is the sum of the products of the percentage of each industry's jobs that are direct basic and that industry's payroll as a percent of total payroll.

Property Tax

Local government budgets are heavily dependent upon the oil and gas industry. The successful history of this valuable industry has allowed the County, Meeker and Rangely to invest in projects that are typically out of reach for comparable rural communities. However, because over 50% of the County's property tax collections come from the oil and gas industry, the County is exposed to significant risk (see Figure 15).



Source: RBC Assessor

Figure 15: Property Tax Collections 2010-2014

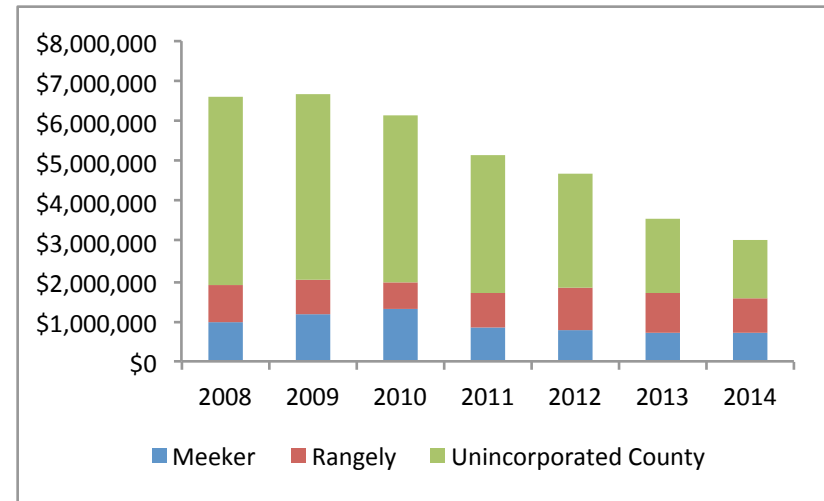
The method by which the state of Colorado taxes the oil and gas industry is quite complex and can leave local governments feeling frustrated by the inability to predict tax revenues due to annual fluctuations. In brief, oil and gas property is taxed at 87% of the assessed value, vs. approximately 8% for residential proper-

ty or 29% for commercial property. Companies are allowed to use local property taxes paid as a deduction against state severance taxes, which often results in a zero or negative severance tax obligation.

For most oil and gas wells, production, and therefore value, is greatest for the first few years of operation and then it tapers dramatically. As a result, property tax and severance tax are highest when new wells are being explored and during the first few years of operation. When new drilling ceases, local governments can see a dramatic drop in severance tax revenues, as well as oil and gas property tax revenues. The long-term goal of the County should be to add additional sources of revenue, such as new industrial and commercial operations, that will decrease reliance upon the oil and gas industry for tax revenues.

Sales and Lodging Tax

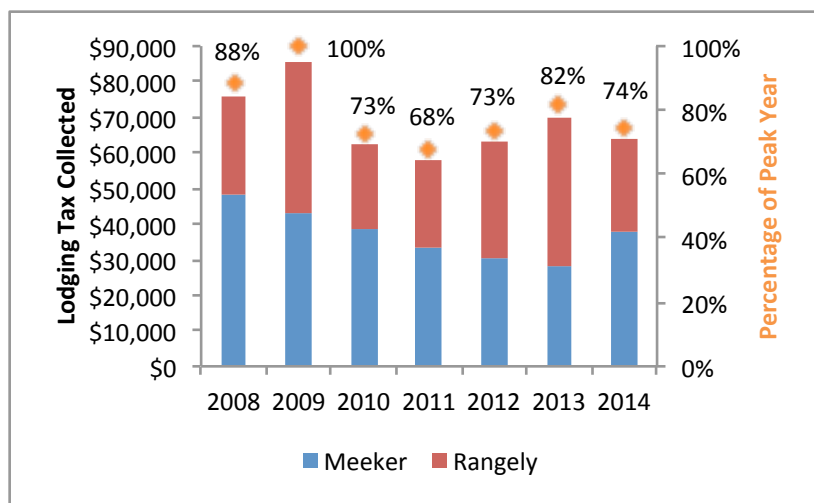
Sales tax has decreased steadily since 2009, driven by a decrease in collections from the unincorporated areas of the County (see Figure 16).



Source: RBC Sales and Use Tax Department

Figure 16: Rio Blanco County Sales Tax 2008-2014

Lodging tax for the County has been quite volatile since 2008, driven by fluctuations in pipeline and drilling activity in the County (see Figure 17). As mentioned in the first phase report, hotel establishments experienced a tough year in 2014, and operators have described qualitatively that 2015 is shaping up to be even worse.

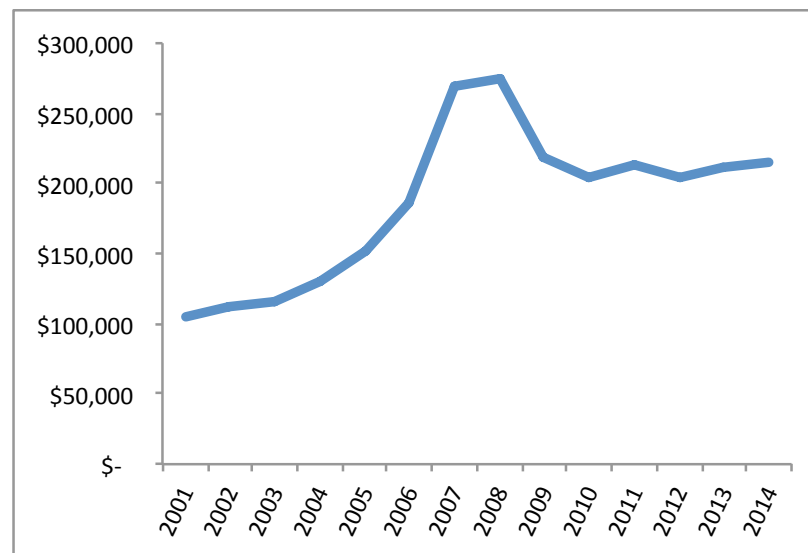


Source: RBC Sales and Use Tax Department

Figure 17: Rio Blanco County Lodging Tax 2008-2014

Wages

Total employee compensation within the County peaked in 2008 at approximately \$274M, and dropped significantly to \$203.4 million in 2011. Compensation has increased only slightly since then, and was estimated at \$215.6M in 2014 as shown in Figure 18.

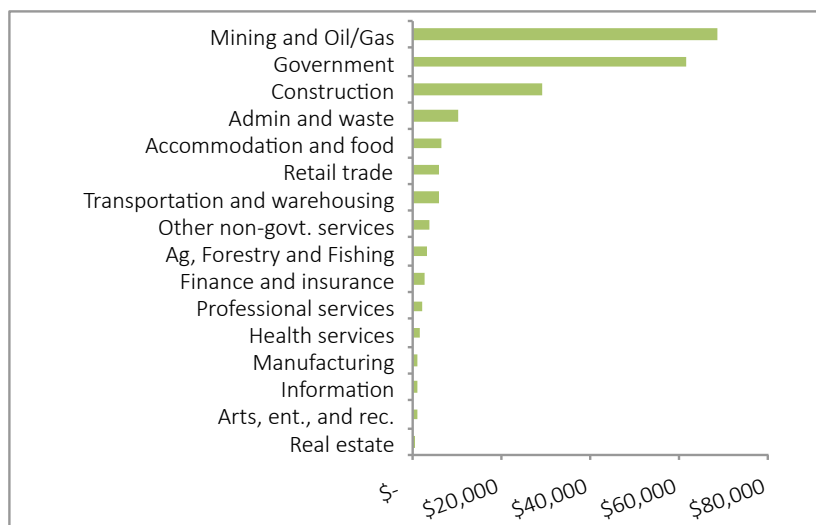


Source: BEA

Figure 18: Rio Blanco County Employee Compensation 2001-2014

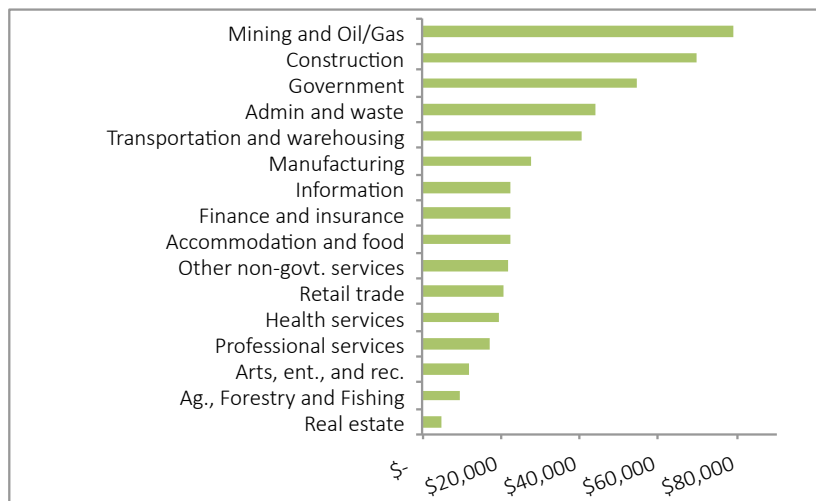
Wages are highly concentrated within the mining and oil/gas and government (includes public education) sectors, with each of these providing almost as much as every other industry combined (see Figure 19).

Average salaries are not nearly as concentrated as total payroll, but mining, construction and government still take the top three slots (see Figure 20). Mining and construction skew the County average upward to \$61,951.



Source: BEA

Figure 19: 2013 Rio Blanco County Total Employee Compensation



Source: BEA

Figure 20: 2013 Rio Blanco County Average Salaries

Table 4 identifies the how local industry payroll is distributed to individuals inside and outside of the County (see Items H and Q on Page 8).⁵ It also identifies wages for local residents who work outside of the County (see Item D on Page 8). Due to the number of workers who commute in vs. those that commute out, net commuter wages are negative, representing an outflow of approximately \$26.2M. Strategies to encourage employees to live where they work will help return a portion of the \$26.2M back into the local economy, and will be explored later in this report.

Rio Blanco	2014
Employee Payroll	\$215,640
Proprietor Income	\$36,628
Total Payroll (see Item H on Page 8)	\$252,268
Wages to local commuters (see Item D on Page 8)	\$23,482
Wages to external residents (see Item Q on Page 8)	(\$49,649)
Net commuter wages	(\$26,167)
Local area employment income	\$226,101

Source: BEA

Table 4: 2014 Rio Blanco County Income from Work (000s)

Table 5 lists personal transfers (see Item A on Page 8), which includes government transfers, non-profit transfers, and business transfers such as company retirement plans. It also lists investment income, which includes dividends, interest, and rental income.

⁵ To estimate 2014 values, BEA data from 2013 was obtained and adjusted upward by 1.6% to account for increases in compensation to cover inflation. Overall, the trends have been relatively flat, and 2014 represents a conservative estimate based on the best data available. This same methodology applies to Tables 3-7.

Rio Blanco County	2014
Transfers from government	\$39,143
Transfers from non-profit	\$842
Transfers from business	\$576
Investment income	\$54,343
Total other income	\$94,905

Source: BEA

Table 5: 2014 Personal Transfers and Other Income (000s)

Transfers from government sources far outweigh the other personal transfer categories and accounts for approximately \$39M of income. Table 6 breaks down government transfers to identify the ultimate source of the government money. Medical benefits, such as Medicare, are the largest contributor, followed closely behind by retirement (such as social security) and disability benefits. The breakdown of transfers by source is consistent with State and neighboring County averages (data not shown) and does not pose an area for concern. Total government transfers per capita within the County are on par with State averages, and are in a similar range as neighboring counties (see Table 7).

Rio Blanco County	2014
Retirement and disability	\$14,934
Medical benefits	\$17,205
Income maintenance benefits	\$2,387
Unemployment compensation	\$1,194
Veterans benefits	\$1,727
Education and training Assistance	\$1,636
Other	\$61
Total government transfers	\$39,143

Source: BEA

Table 6: 2014 Personal Transfers from Government Sources (000s)

Location	2014
Routt	\$4,031
Garfield	\$4,524
Rio Blanco	\$5,662
Colorado	\$5,703
Moffat	\$6,315

Source: BEA

Table 7: 2014 Government Transfers per Capita Comparison

Overall, the additional sources of income listed in Table 5 have an impact on the local economy amounting to approximately \$94.9M, or nearly 30% of the County-wide personal income. Total personal income for the County is just over \$321M, or \$47,360 per capita (see Table 8).

Rio Blanco	2014
Local Proprietor Income	\$36,628
Commuter Wages	(\$26,167)
Investment Income	\$54,343
Personal Transfers	\$40,562
Local Employment Wages	\$215,640
Total Personal Income	\$321,005

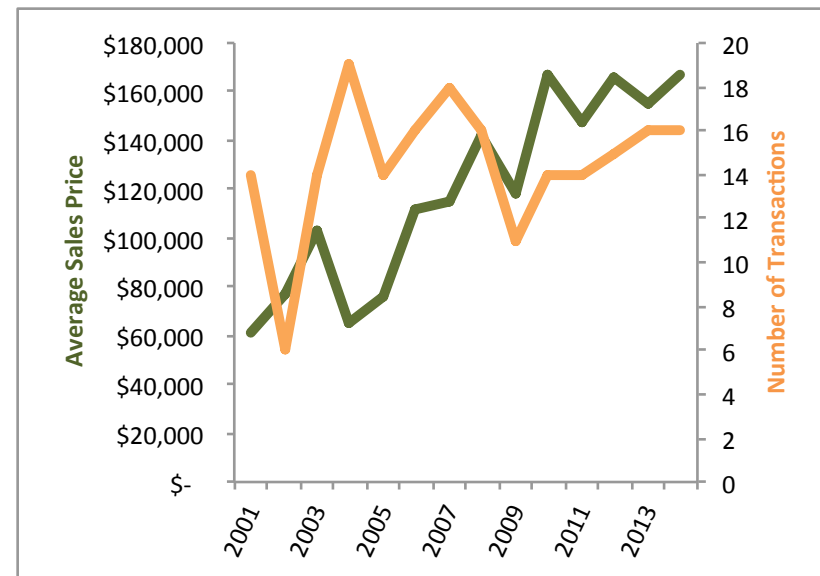
Source: BEA

Table 8: 2014 Personal Income by Source

REAL ESTATE

The real estate market is an important aspect of the local economy, not only in terms of transactional activity, but also in terms of providing attractive and desirable housing for present and future employees. The real estate market in the County was segmented into three sections for analysis. The Rangely and Meeker markets include sections of the unincorporated County near the town limits. For all intents and purposes, the housing stock near the town limits is a better representation of the housing contained within each respective town, than it is to the rural sections of the unincorporated County. The third section contains all of the rural parts of the unincorporated County, the majority of which are located along the White River, upstream from Meeker.

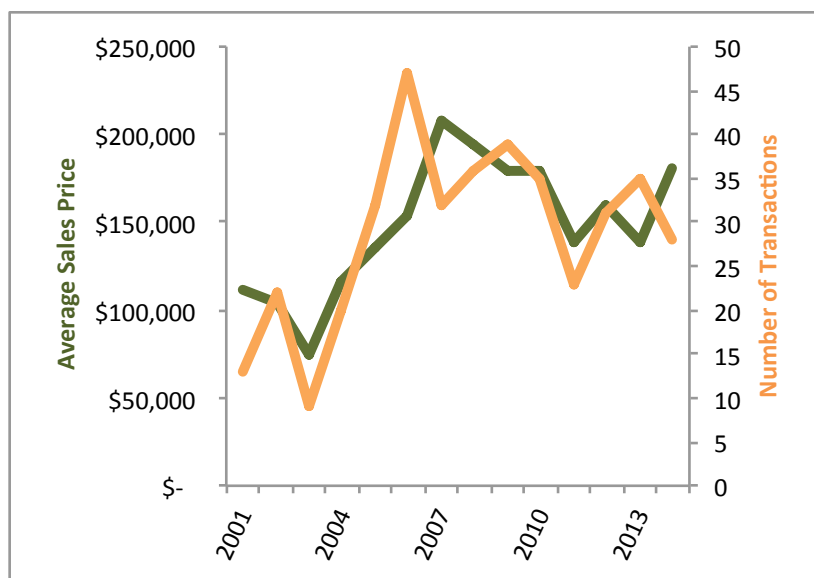
The real estate market in Rangely has mostly recovered from the 2008 housing crisis with the average home selling for \$167,000 in 2014, which is 18% more than the 2008 average. The number of transactions is still less than what occurred in 2008, but only by a minimal margin (see Figure 21).



Source: RBC Assessor and Recorder

Figure 21: Rangely Real Estate Market 2001-2014

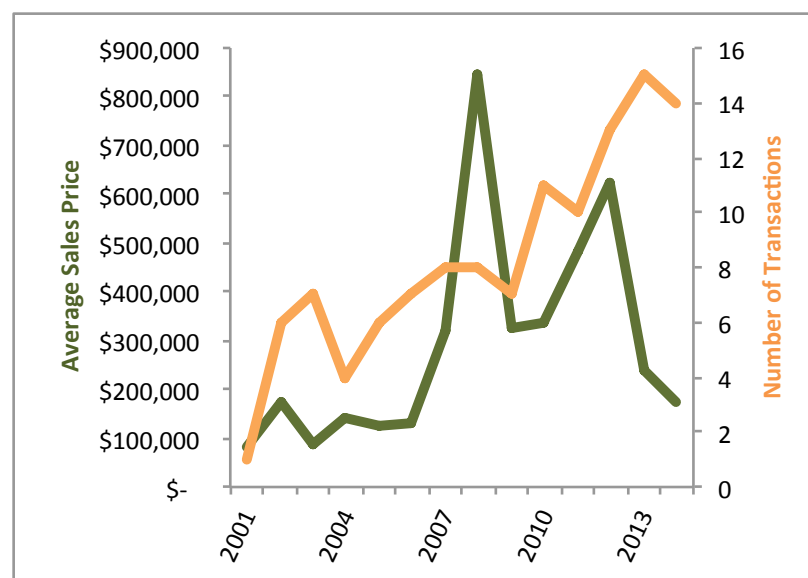
The real estate market in Meeker has not fared as well, and the average sales price was approximately \$180,000 in 2014, which is 8% less than the 2008 average. The number of transactions has yet to reach 2008 levels (see Figure 22).



Source: RBC Assessor and Recorder

Figure 22: Meeker Real Estate Market 2001-2014

Average sales prices in the rural parts of the County have been significantly more volatile than the areas near Meeker and Rangely. Part of the volatility is due to the broad range of housing values, stretching from modest homesteads to river-front property in the million-dollar range. A few transactions in the upper price range have the ability to lift average prices in a significant way, which is what happened in 2008 and 2012. Although the average sales price was significantly lower in 2014 than in 2012 or 2008, the number of transactions has nearly doubled from 2008 (see Figure 23).



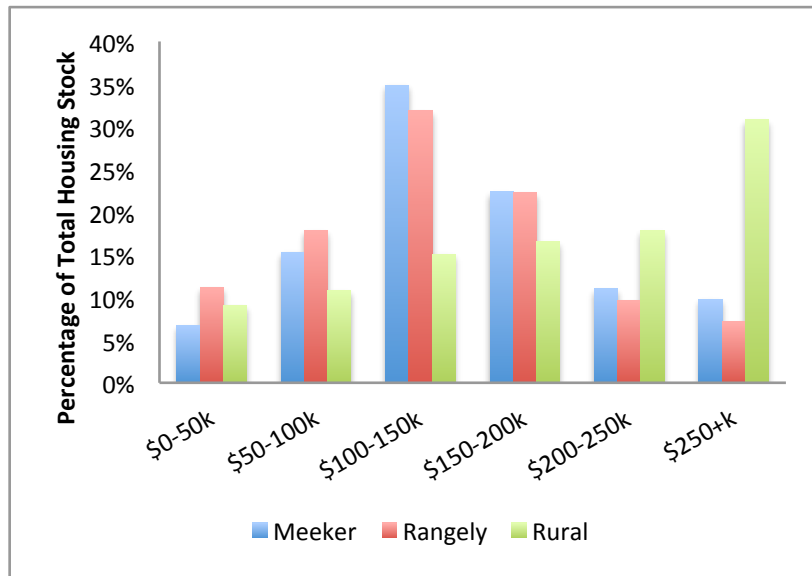
Source: RBC Assessor and Recorder

Figure 23: Rural Rio Blanco County Real Estate Market 2001-2014

One of the major concerns mentioned in the stakeholder interviews was the lack of quality and affordable housing in the County. The issue was voiced more strongly in Rangely where non-oil workers find it difficult to afford housing. For example, several coal miners from Deserado initially tried to locate to Rangely, but ultimately chose Vernal due to the lack of affordable housing in Rangely.

To alleviate some of the upward price pressures from the oil and gas industry, Rangely has invested in rent-controlled housing. The new rent-controlled housing has been very successful and the Town is contemplating additional developments. To verify the need for additional affordable housing, the value of the current housing stock was analyzed (see Figure 24). Home values between Meeker and Rangely are quite similar, with 57% and

61% of home values estimated at under \$150,000 in each community, respectively. Including the \$150,000-\$200,000 category brings the totals to 79% in Meeker and 83% in Rangely.



Source: RBC Assessor

Figure 24: Estimated Value of Rio Blanco County Housing Stock 2014

Estimated mortgage payments for the average-priced home in the County are more expensive than average monthly rent (see Table 9).⁶ During boom cycles the rental market is squeezed, and

⁶ Monthly mortgage payment assumes a 10% down payment on the average priced home at an interest rate of 4.25%. Estimate also includes insurance and taxes. Rent estimates were taken from the 2013 ACS survey, and 2014 rates were estimated by applying a 1.6% increase for inflation.

rates are inflated and has sometimes pushed non-oil and gas workers out of their once-affordable housing.

Direct Home Ownership Costs	Rangely	Meeker
Estimated Mortgage Payment	\$928	\$996
Estimated Utilities	\$111	\$120
Total Direct Housing Costs	\$1,039	\$1,116
Required Salary for avg. Mortgage	\$41,574	\$44,621
Direct Rental Costs		
Estimated Rent	\$721	\$819
Estimated Utilities	\$72	\$82
Total Direct Housing Costs	\$793	\$901
Required Salary for avg. Rent	\$31,740	\$36,031

Source: RBC Assessor, ACS 5-year Estimate

Table 9: 2014 Estimated Housing Costs and Affordability

Housing is generally considered affordable as long as an individual/family is spending no more than 30% of their gross income on housing expenses, including utilities. Table 9 includes a conservative estimate for utilities to arrive at the required salary for an individual or family to comfortably afford average-priced housing in both Rangely and Meeker.

Vacancy rates throughout the County vary substantially depending on oil and gas activity. Reporting agencies, such as DOLA and the ACS report vacancy rates, but there is a tremendous amount of discrepancy between the data. For example, DOLA reported vacancy in 2013 (the most recent year for which data is available) at 20%, and the ACS reported the vacancy rate at 2.6% during the same year. Sampling error and the lack of real-time data collection are the likely causes of such discrepancies. Little confidence can be placed in either number. Qualitative evidence

from stakeholder interviews suggests that current vacancy rates are high relative to long-term averages and are climbing as oil and gas activity has slowed.

LIVING WAGE

A living wage is defined as the wage necessary to cover all of the necessary living expenses for a household. Housing, as described previously, is typically the largest household expense and should account for no more than approximately 30% of gross income. Additional expenses, such as food, childcare, transportation, and healthcare, vary by household size and can have a significant impact on a household's monthly budget. A summary of estimated expenses in these categories for a family of three (two working adults, one child), along with the resulting living wage is shown in Table 10.⁷

Annual Expense	Rangely	Meeker
Food	\$ 8,234	\$ 8,234
Childcare	\$ 8,386	\$ 8,386
Medical	\$ 5,956	\$ 5,956
Housing	\$ 9,516	\$ 10,809
Transportation	\$ 8,509	\$ 8,509
Other	\$ 4,344	\$ 4,344
Required household income after income taxes	\$ 36,559	\$ 37,852
Annual taxes	\$ 5,904	\$ 6,113
Required household income before income taxes	\$ 42,463	\$ 43,966

Source: MIT Living Wage, RBC Assessor

Table 10: Living Wage Calculation

⁷ Living wage estimates, other than housing, were obtained from the Massachusetts Institute of Technology's Living Wage Calculator. Housing estimates were carried over from the real estate section of this report. Additional information including methodologies can be found at livingwage.mit.edu.

Figure 25 compares living wage requirements with average salaries and demonstrates that there are many industries (those located below the Government sector, also designated by the red line) wherein a household would require multiple wage earners to reach a livable wage. Jobs in the industries below the red line make up approximately 49% of available jobs within the County.



Source: MIT Living Wage, RBC Assessor, BEA

Figure 25: Living Wage vs. Average Salaries

The foregoing living wage analysis paints a different picture than has been portrayed in generalized reports of the County. For example, the Business Insider article mentioned in the Phase I Report identified Rangely as the most affordable small town in Colorado. That particular study only looked at home values compared to median income. The upward skew from the oil and gas industry would suggest that the average laborer in the County

(average salary of \$61,951) can afford a \$1,500 mortgage payment, which would equate to a \$250,000 home⁸. Few homes in Rangely are valued at greater than what would be affordable with the average salary, which is why Rangely was chosen as the most affordable small town. However, as has been demonstrated herein, employees outside the top four paying industries would have difficulty affording even the average priced home.

WORKFORCE ANALYSIS

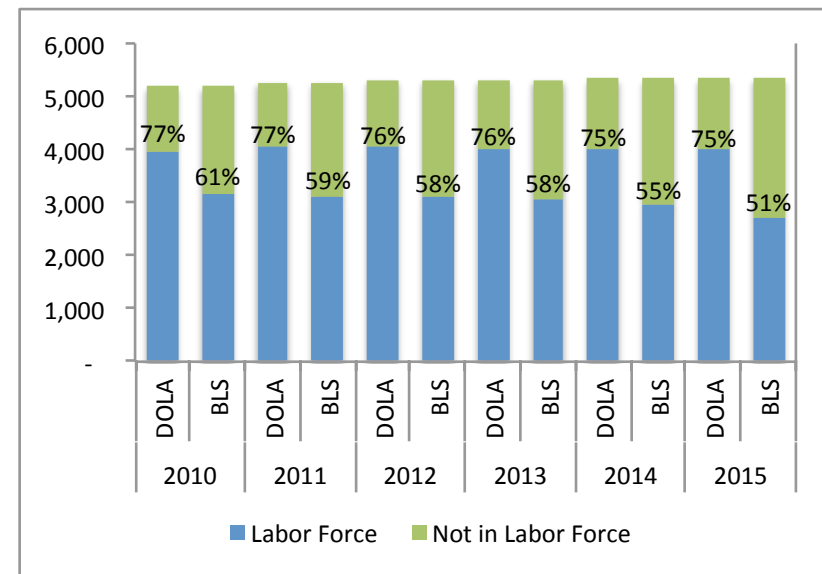
An in depth analysis of the County's labor force provides additional insights into the types of jobs and industries that would have the best potential to thrive.

PARTICIPATION RATE

The County labor force consists of those individuals (typically 16 and older) who are either employed or actively seeking employment. The most accurate labor force data is typically available through the Bureau of Labor Statics (BLS). However, BLS changed its methodology of calculating local labor force and unemployment rates in 2010, which resulted in a significant correction/change for Rio Blanco County. Other labor force reporting entities, such as DOLA and BEA, use BLS estimates as a major component of their own measurements, but DOLA and BEA numbers don't appear to factor in the 2010 BLS adjustment yet, and are more reflective of pre-2010 BLS data. Comparison of the present to pre-2010 years to look at long-term trends is not possible due to the changes in methodology.

Population data from DOLA was combined with labor force data from BLS to conduct the following workforce analysis.

According to BLS and DOLA data, the County's labor force participation rate is estimated at 51% for the first quarter of 2015. The participation rate has fallen 10% since 2010 while the eligible population has grown slightly over the same period (see Figure 26). In addition to population numbers, DOLA also estimates the labor force participation rate. According to representatives at DOLA, DOLA's methodology does not capture real-time trends as quickly or effectively as the BLS methodology, but is a good indicator of long-term trends. With that in mind, DOLA reports the labor force participation as decreasing slightly from 77% to 75% from 2010 to 2015.

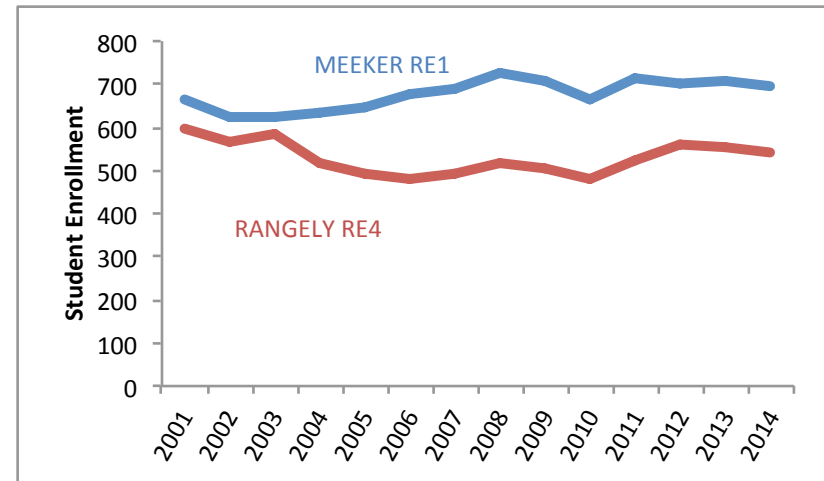


Source: DOLA, BLS

Figure 26: Rio Blanco County Labor Force Participation 2010-2015

⁸ House affordability based on estimation method outlined in Table 9.

The discrepancy between DOLA and BLS data highlights the challenges of relying on outside data sources for small counties. Due to the nature of how DOLA estimates population data, it is likely that the population of 16+ individuals in the County is over-inflated, which when combined with total employment data from BLS, results in a low participation rate. In 2010 when the census was administered, the County was still experiencing a lot of oil and gas activity with two different pipelines under construction and 102 wells being drilled.⁹ The census may have captured the transient workforce, which has skewed projected population numbers upward. If the population growth shown in 2010 was in the non-transient workforce, it should also show up in school district enrollment, which is not the case (see Figure 27). District enrollment dipped in 2010, but overall the student population has been relatively flat, decreasing slightly from 1,256 in 2001 to 1,239 in 2014. Total population, as reported previously, grew by over 800 during the same time period.



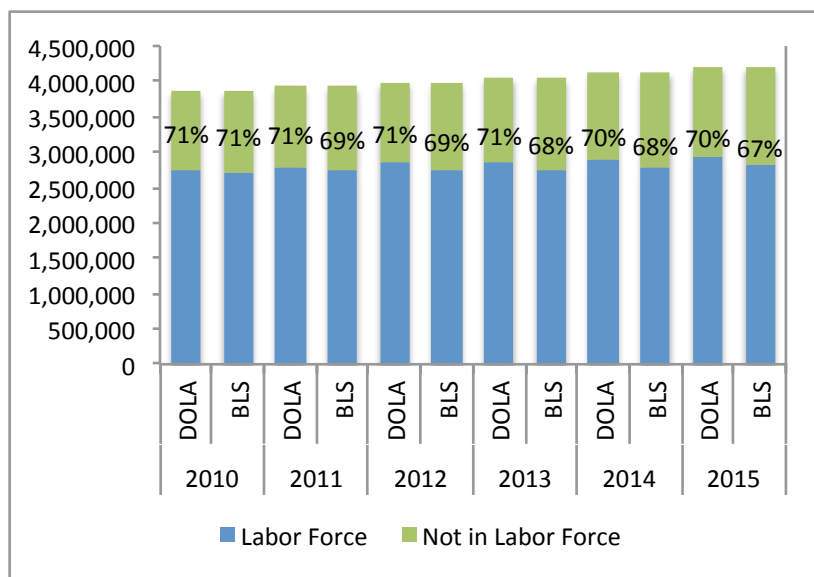
Source: State Board of Education

Figure 27: School District Population

Anecdotal evidence as reported from stakeholders suggests that the actual labor force participation rate likely lies between the numbers reported by BLS and DOLA. If the labor force participation rate were really at 51%, this would be an area of concern. A local employment survey would be required to confidently quantify the actual County labor force participation.

Statewide labor participation rates as reported by BLS are between the County BLS and DOLA estimates (see Figure 28).

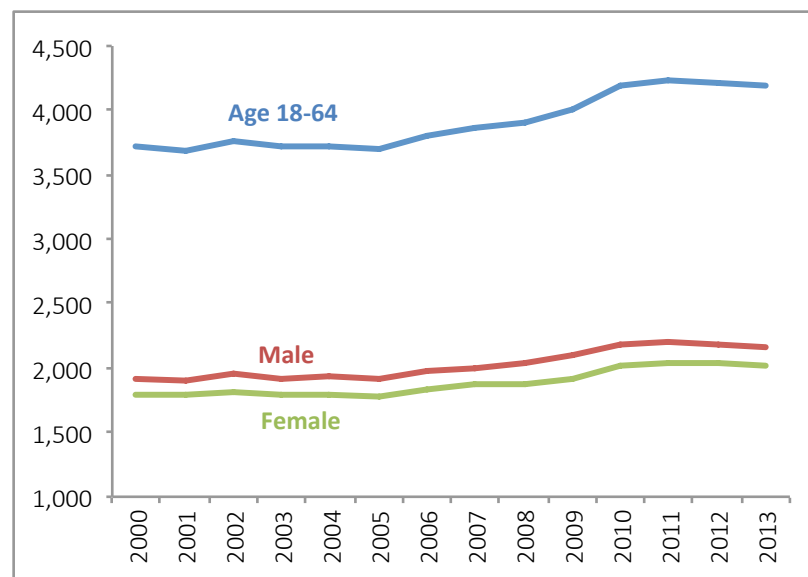
⁹ Data obtained from stakeholder interviews and from the Colorado Oil and Gas Conservation Commission (COGCC).



Source: DOLA, BLS

Figure 28: Colorado Labor Force Participation 2010-2013

The working age population is more heavily distributed to the male gender, although not by a substantial margin (see Figure 29). The gender gap is likely due to the large number of stereotypically male dominated occupations in the energy extraction sector, although the gap is smaller than one would expect given the levels of industry concentration.



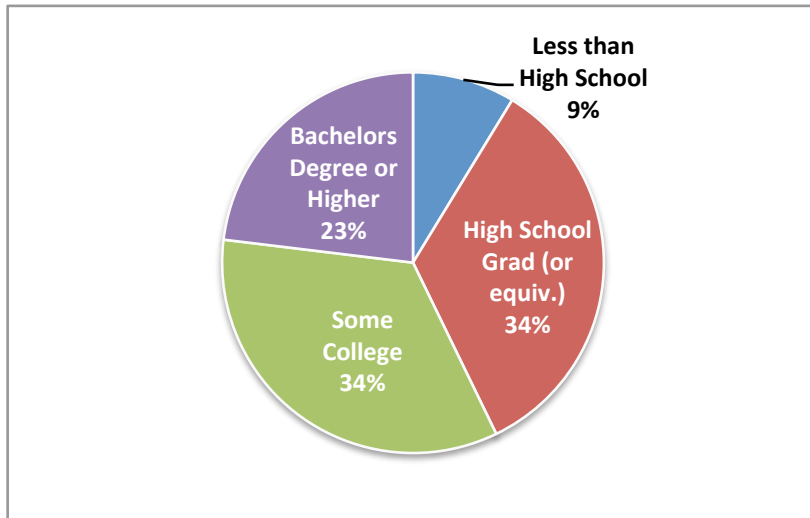
Source: DOLA

Figure 29: Rio Blanco County Population 18-64 by Gender 2000-2013

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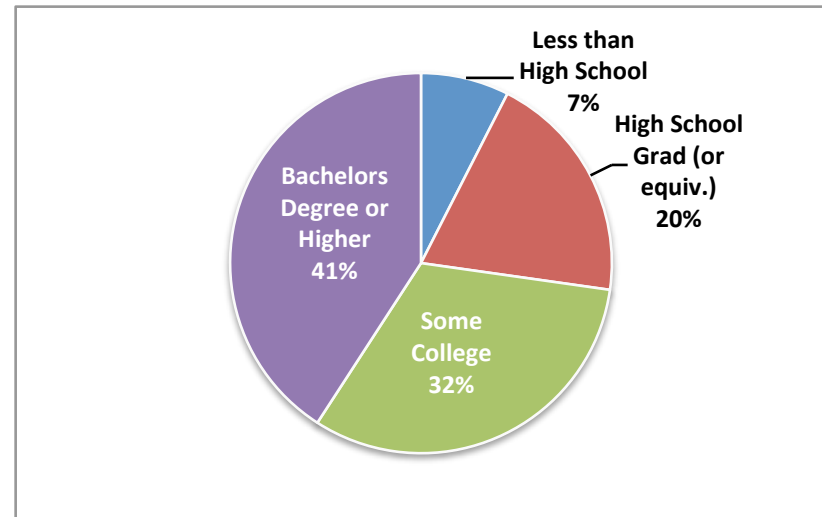
EDUCATIONAL ATTAINMENT

As shown in Figure 30, 57% of the County's labor force over the age of 25 have attended at least some college and 23% have earned a bachelor's degree or higher. These levels of educational attainment are below state averages of 73% and 41% respectively (see Figure 31).



Source: ACS 5-year Estimate

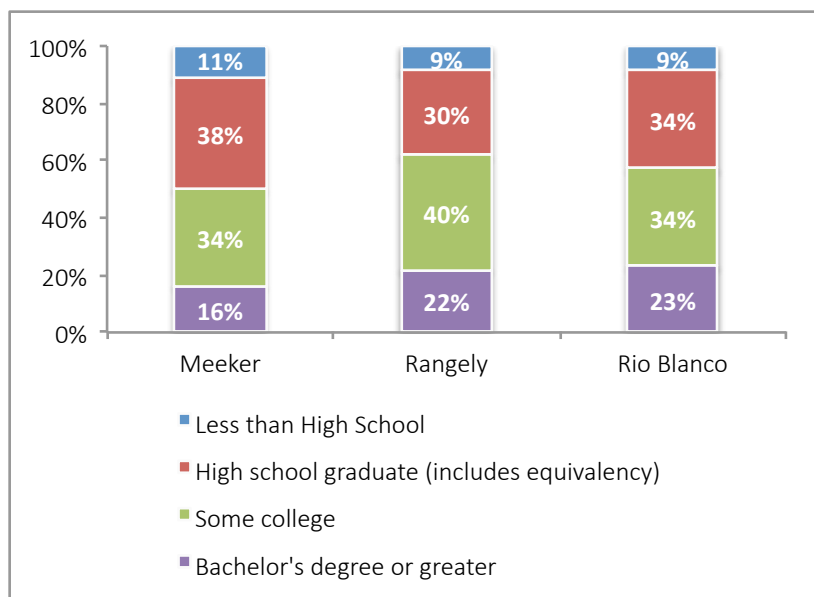
Figure 30: Rio Blanco County Labor Force Educational Attainment 2013



Source: ACS 5-year Estimate

Figure 31: Colorado Labor Force Educational Attainment 2013

Educational attainment levels are slightly higher in Rangely than in Meeker (see Figure 32). The increased level of educational attainment in Rangely corresponds to the presence of CNCC, which employs professors and instructors that would require Bachelor's or more advanced degrees. From the data, it can be inferred that residents within the unincorporated areas of the County have the highest level of Bachelor's and advanced degrees.



Source: ACS 5-year Estimate

Figure 32: Educational Attainment by Community 2013

Not reflected in the educational attainment survey conducted by the ACS, is the large number of County residents with industry specific training and certificates. For example, many of the jobs within the mining and oil and gas industry may not require a college degree, but do require specific skills sets in welding, instrumentation, heavy equipment operation, etc. The Workforce Centers in Rangely and Meeker both stated that many residents have highly skilled training that may be translatable to other industries such as manufacturing and industrial labor.

TURNOVER RATE

Quantitative data on the employee turnover rate is not available on the County level; however, qualitative data has been obtained from interviews with local business owners and personnel from

the Workforce Centers. Many of the business owners, especially those not in the oil and gas industry, experience high turnover rates when the oil and gas industry is experiencing a boom cycle. Wages within the oil and gas industry are significantly higher than County averages, and many laborers are drawn away from their previous jobs to seek higher wages in oil and gas, leaving employers struggling to find adequate help.

Other employers, particularly those that require specialized training, often experience difficulty finding and recruiting individuals that have the required skill sets. Industries within the County that face labor and skillset shortages include healthcare, education, manufacturing, and highly technical fields such as the White River Electric Association (WREA).

For example, some positions within WREA require specialized training and certificates that are not possessed by many County residents. WREA has tried, with limited success, to recruit in employees that have the necessary skillset and training. Potential employees often choose to work in other markets near population centers, citing availability of commercial amenities. Some employees that have come, only stayed for a short time before spouses and children convinced the laborer to take a job in a larger city.

The Rangely Hospital and the Deserado coal mine have each had similar experiences. It is often the spouses that ultimately decide where to live, which is why most of the 170+ employees at the mine choose to live in Vernal and commute. Adding additional amenities and quality of life assets in both communities would go a long way in helping companies recruit, and retain a stable workforce.

BUSINESS AND INDUSTRY

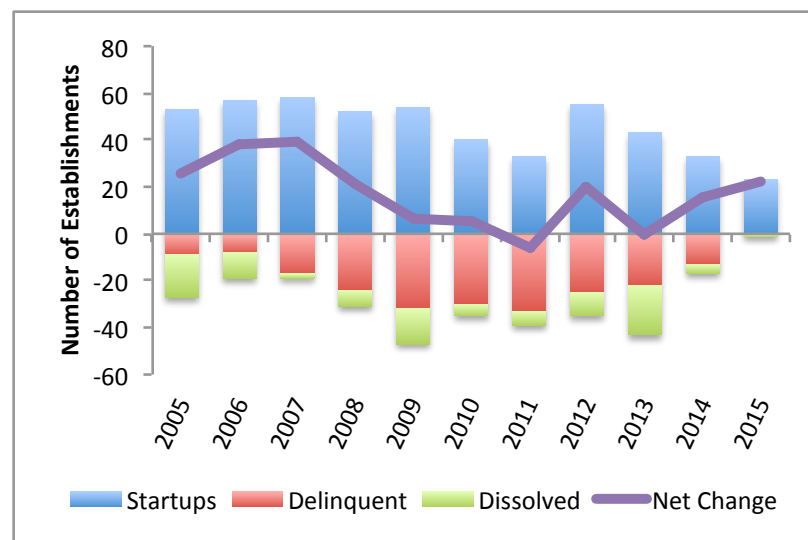
BUSINESS ENTITIES

The number of active business entities is an important factor in the overall economic health of a community. As of June 2015, there are 369 and 143 active business licenses in “Good Standing” in Meeker and Rangely, respectively. Businesses receive a “Good Standing” designation when they are up to date with annual report filings. Businesses that are six months past due with an annual report are considered “Delinquent” and eventually will be administratively dissolved if not taken care of.

Comparing the number of new business licenses with those that have fallen into the delinquent or dissolved category provides a good indication of the entrepreneurial ecosystem of a community. The net increase in business establishments peaked in 2007 for both Rangely and Meeker (see Figure 33 and Figure 34).

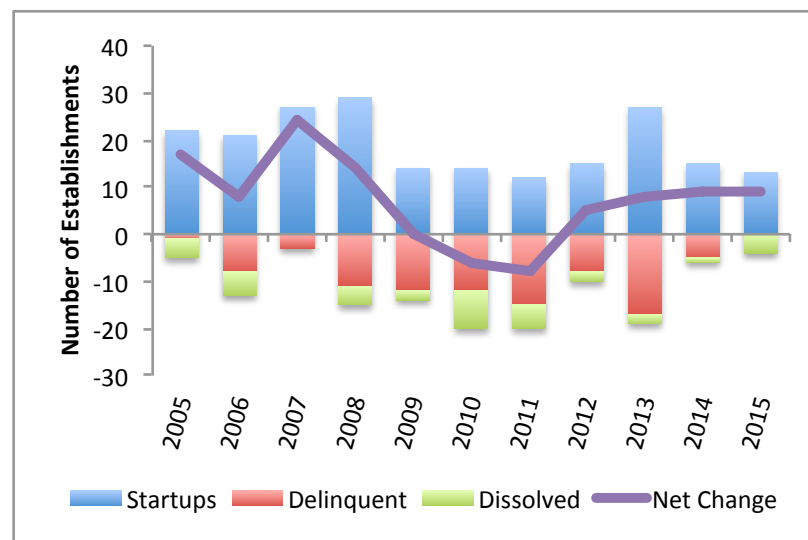
Rangely had a net decrease in new businesses during 2010 and 2011, but has increased and held steady during recent years. Startup trends in Meeker were volatile between 2011 and 2013, but appear to have stabilized recently.

Information for the year 2015 covers data up through June 2015. Delinquency status is typically only updated once per year and may have a substantial impact on the net increase once it is factored into the 2015 data. However, it is important to note that the gross number of business starts for the first few months of 2015 has nearly reached the total annual number for 2014 in both communities. The increase in entrepreneurial activity is a positive data point, but the increased activity has yet to have a significant impact on the local economy.



Source: Colorado Secretary of State

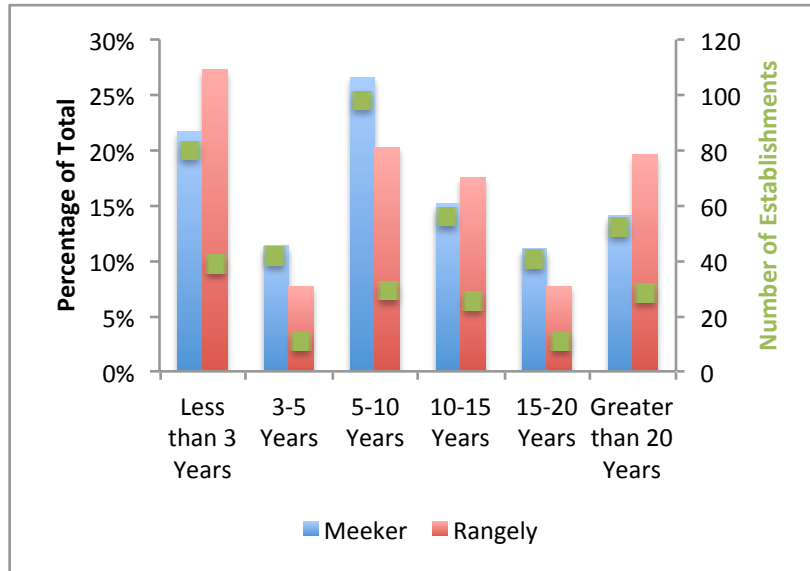
Figure 33: Meeker Net Change in Business Establishments



Source: Colorado Secretary of State

Figure 34: Rangely Net Change in Business Establishments

Businesses that have been in operation for less than five years are at greatest risk of failure, so in addition to having a robust startup ecosystem, it is also important to make sure that a significant number of new businesses mature into long-standing establishments. In this regard, Rangely has a higher percentage of establishments that are ten or more years old (see Figure 35).



Source: Colorado Secretary of State

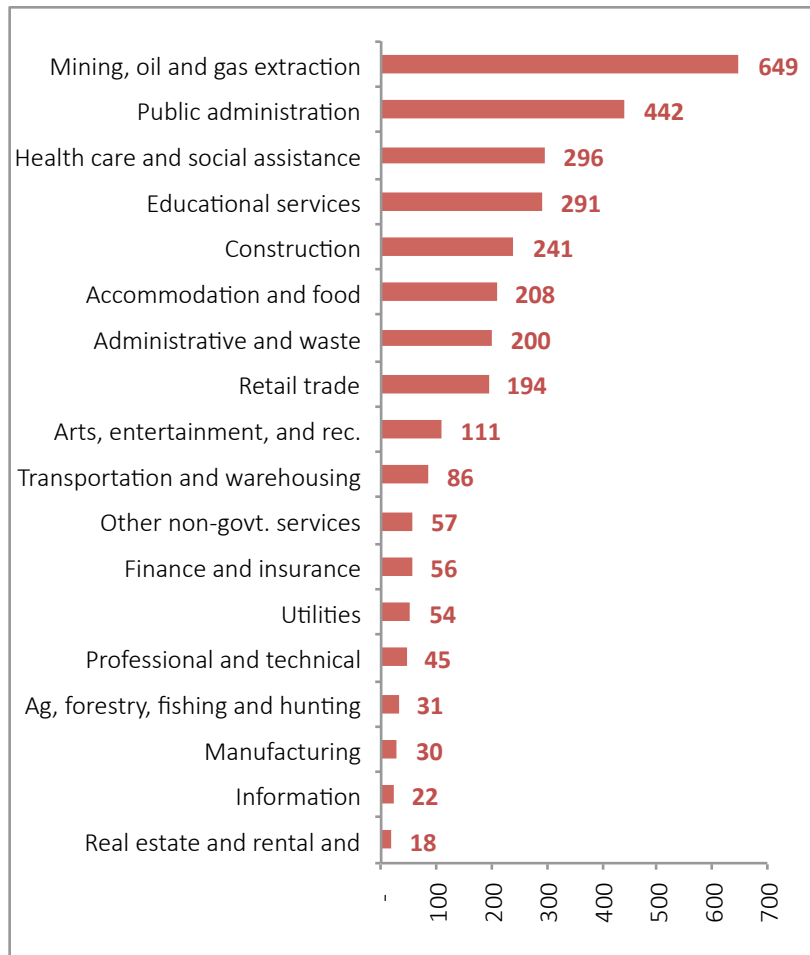
Figure 35: Rio Blanco County Age of Business Establishments

INDUSTRIES

The most prominent industries in the County in terms of number of jobs are resource extraction, including mining and oil and gas, public administration, healthcare and social assistance and educational services. Figure 36 shows the number of jobs across all major industries located in the County, while Figure 37 depicts the number of establishments within each industry.

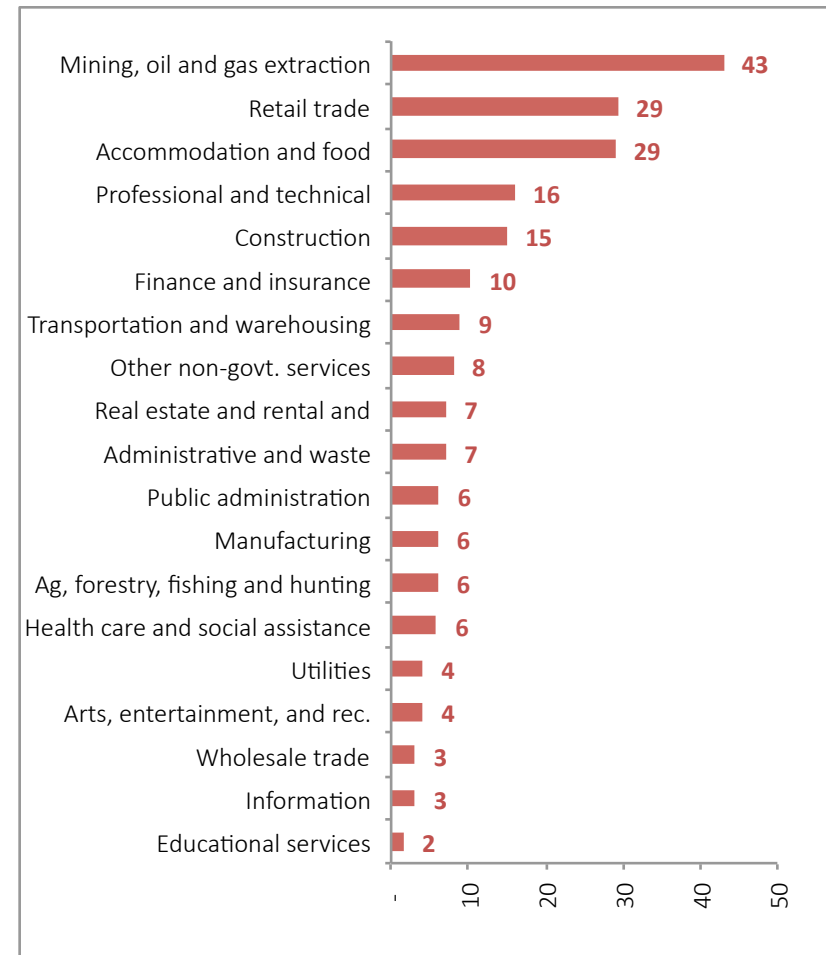
Other than the mining and oil and gas, and the construction industries, there is a lack of correlation between the number of jobs and the number of establishments within an industry.

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Source: BLS, Colorado Department of Labor and Employment

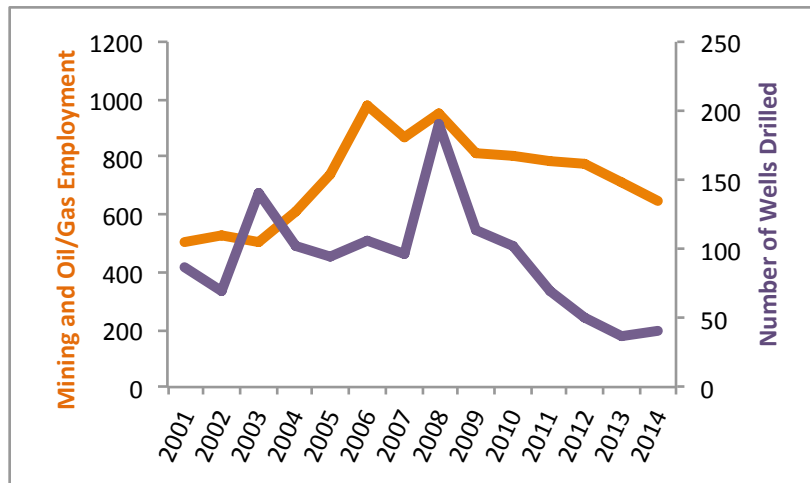
Figure 36: 2014 Rio Blanco County Jobs by Industry



Source: BLS, Colorado Department of Labor and Employment

Figure 37: 2014 Rio Blanco County Establishments by Industry

Employment within the oil and gas industry peaked between 2006 and 2008 at 982 employees, and decreased to approximately 643 in 2014. The employment level has loosely tracked drilling activity as it also peaked in 2008 and has fallen in recent years to less than 25% of the peak level (see Figure 38).



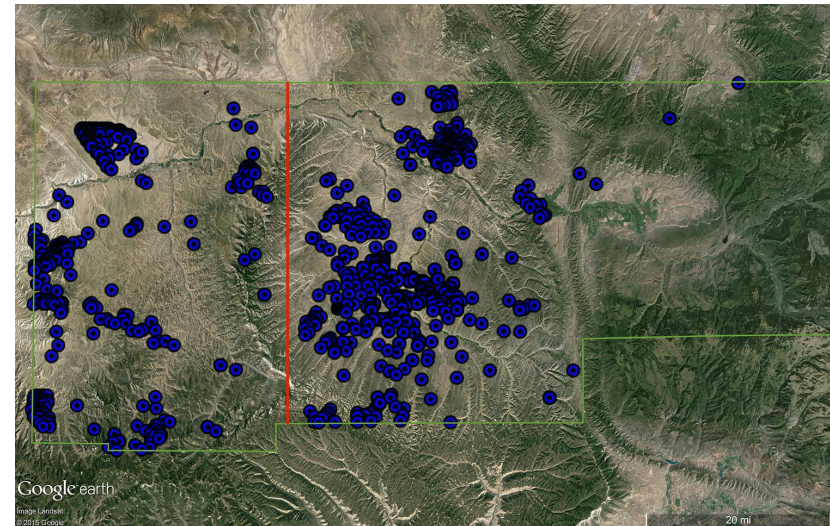
Source: BLS, COGCC

Figure 38: Mining and Oil and Gas Employment vs. Well Drilling Activity

Of the 1,310 wells drilled since 2001 (see Map 1), 946 have been drilled on the eastern side of the County (east of the red line), and the remaining 364 have occurred on the west. Natural gas production levels spiked in correlation¹⁰ with the increase in drilling activity during the mid 2000's, but drilling activity hasn't resulted in a significant increase in oil production (see Figure 39). Rather, it appears that drilling activity in the early 2000's

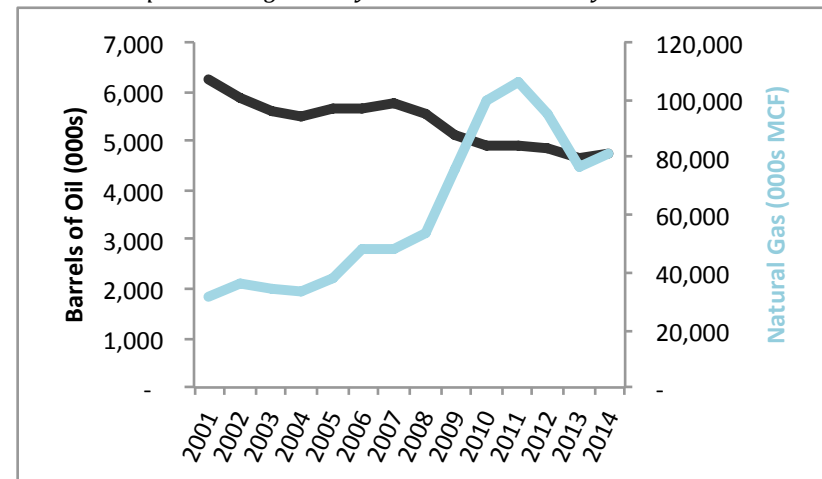
¹⁰ The delay between the peak in drilling in 2008 and the peak in production is consistent with the time it takes for new wells to come online and begin producing.

sustained oil production levels in the mid 2000's, but production levels have declined slightly during the current decade.



Source: COGCC

Map 1: Drilling Activity in Rio Blanco County 2001-2015



Source: COGCC

Figure 39: Rio Blanco County Oil and Natural Gas Production 2001-2014

The Phase III report will add additional insights regarding how production, employment, and drilling activity compare to other counties throughout the State as part of the regional cluster analysis.

REGIONAL LINKAGES

Current linkages in the regional economy are centered on coal, oil and gas extraction, sodium bicarbonate extraction, and end uses for all of these products. Each of these linkages is described in more detail below.

Energy Extraction

Oil and natural gas recovered in the County are exported via pipeline to customers throughout the region, and across the country via the Rockies Express Pipeline. The oil and gas industry also imports goods and services from the region in order to produce and export energy rich products. Specifically, CO₂ injection wells are required in Rangely's Weber oil basin, and most of the CO₂ is obtained from the Shute Creek Gas plant near Kemmerer, Wyoming. The CO₂ gas arrives by pipeline, and the majority of the crude oil is sent out by pipeline to refineries near Salt Lake City, Utah.

The Deserado coal mine near Rangely is strongly linked to Eastern Utah. The coal collected at the mine is shipped to the coal-fired power plant in Bonanza, Utah located 40 miles south of Vernal, Utah. Vernal is another oil and gas town, but has experienced significantly more commercial and population growth than Rangely. As mentioned in the workforce section of this report, the size of Vernal and the availability of amenities is attractive to many workers at the Deserado mine, and they are choosing to live there and commute two hours each day instead of living in Rangely that has a 30 minute daily commute.

In addition to Meeker's natural gas linkages mentioned previously, the town is linked to Craig, Colorado via the Colowyo coal mine. Although most of the mine is located in Moffat County, a small percentage of the mine's workforce lives in and commutes from Meeker. The coal from the mine is shipped to the nearby Craig Station Power Plant, which provides 1.3 GW of electricity to Tri-State, Xcel Energy, and several other smaller utility companies. The importance of this economic linkage has become even more pronounced in recent months as a pending lawsuit has endangered the operation of the Colowyo mine. The mine has options to open up additional pits should the current one be shut down, however an unfavorable ruling could suspend operations for several years until the new pit is approved and ready for operation. An event such as this would lead to the loss of many stable, good paying jobs in the region.

Natural Soda

The Natural Soda operation near Meeker creates an economic linkage to the Town of Parachute, the City of Rifle, and further north to the State of Wyoming. Soda mining operations began in Rio Blanco County in November 2000. American Soda LLP was the original operator and began commercial operations of a nahcolite solution mine in the Piceance Creek Basin that was designed to produce between 800,000 to 1 million tons of soda ash per year. The plant leveraged infrastructure that had been developed by Unocal as part of a previous oil & gas project.

The operation included an upper plant located in Rio Blanco County, and a \$300 million lower plant located near Parachute in Garfield County. Together, the two facilities were capable of producing 896,000 tons per year of soda ash equivalent. Two 44-mile insulated pipelines, one for product and the other for return water, connected the two plants with final product being shipped

from the lower plant via rail. The plant encountered production problems early on, and never produced more than 50 to 60 percent of expected capacity.

Solvay Chemicals purchased American Soda in 2003. In March 2004, American Soda announced that it was mothballing the Rio Blanco facility due to high energy costs and continuing losses. The lower facility in Parachute continued to operate and is supplied another Solvay Chemicals' mine in Green River, Wyoming.

Several years later, a new sodium bicarbonate mining operation was started near the former American Soda plant in the County. The new company, Natural Soda, Inc., is a wholly owned subsidiary of Natural Resources USA Corporation. Natural Resources is in turn wholly owned by Enirgi Group Corporation, a private Canadian company.

Solvay and Enirgi recently announced a 50-50 joint venture called SOLVair Natural Solutions, which could effectively recreate the economic linkage between Parachute and Rio Blanco facilities. Natural Soda is expecting to double production in the near-term, which may require additional expansion and infrastructure investment. A strong regional linkage may allow additional value added producers to locate to the region. This topic will be explored in the industry expansion section of this report.

Liquefied Natural Gas Exports

LNG, or liquefied natural gas, is a clear, odorless, noncorrosive, nontoxic liquid that is formed when natural gas is super cooled to -260 F. The cooling process decreases the volume of natural gas by about 600 times, making the resource easier to store and transport through marine shipments.

LNG exports present a significant opportunity for a new regional linkage within the natural gas industry. In addition to Gulf of

Mexico and Maryland ports that have been approved for LNG exporting by the Department of Energy, there are two port facilities in Oregon that are in the planning stages. Pipelines could transport the natural gas from the Basin to these port facilities. Most of the infrastructure necessary to transport natural gas from the Basin to all of the ports is already in place.

Commercial Linkages

Commercial linkages can be a positive element, provided that a local economy is attracting outside visitors for shopping, entertainment, and recreation. It can also be a negative aspect if residents choose to drive to neighboring population centers rather than patronize local stores. Rio Blanco experiences much more of the later than the former.

For example, Vernal captures a large portion of the commercial and retail leakage from residents in Rangely. Those that don't go to Vernal, head south to Grand Junction for shopping, entertainment and recreation. In this regard, Rangely has stronger economic links to Vernal and Grand Junction than it does to Meeker and the rest of Rio Blanco County.

Meeker in turn, is closely connected to Rifle and Craig and experiences a significant level of retail leakage to these neighboring communities.

WORKFORCE DEVELOPMENT ACTION PLAN

It is important to understand that workforce development occurs most effectively in concert with community and economic development efforts. Workforce issues in rural communities typically revolve around the lack of jobs that pay livable wages. Stabilizing the workforce can be accomplished by recruiting employers that are able to pay livable wages in the County.

Attracting new employers to the community is difficult if ineffective community development has occurred. Community development activities, such as the creation of quality of life assets, recreational opportunities, zoning guidelines, architectural requirements, code enforcement, etc., create an environment that is attractive to employers. Employers ultimately want to protect their investment, retain their workforce, and achieve reasonable returns, which is much easier to accomplish in a community that has positioned itself as a desirable community.

Some of the elements of community and workforce development have been mentioned previously, but will be re-addressed in terms of helping to stabilize and grow the workforce.

QUALITY OF LIFE ASSETS

Employers know that happy employees are productive employees. Having happy employees is a complex issue, but commute times, recreation opportunities, family activities, and community connection all play a role in contributing to employee satisfaction.

Action Steps

1. Implement quality of life recommendations in Phase I report.
2. Conduct a quality of life survey with the existing workforce in conjunction with the local chambers of commerce. In addition to the opportunities discussed thus far, an employee survey may help to identify additional quality of life aspects that would help attract new employees and employers.

JOB TRAINING

As described previously, several employers have expressed difficulty in attracting qualified workers. CNCC currently offers workforce training in specific fields, but adding new programs in targeted industries is very costly and time consuming. Training local workers in-house is expensive and time consuming, and may lie outside the focus of individual employers.

To fill the gap, the State of Colorado offers a customized job-training program called “Colorado First/Existing Industry Customized Job Training.” The program provides up to 60% of training expenses (up to \$800 per employee) for employees to receive specialized workforce training. The program is designed to help companies stay relevant with emerging technologies.

Action Steps:

1. Identify employers in the County that would be able to expand if they had access to additional employees with specialized training.
2. Apply for the program through the Colorado Office of Economic Development and International Trade.

OTHER PROGRAMS

Other rural communities have established an incentive program in conjunction with local businesses to encourage employees to live where they work. For example, one CEO of a business located in a rural community has contemplated offering a down payment assistance program for employees that choose to purchase a home in the local community.

Employees benefit from having easier access to quality housing, and the employer benefits from having a loyal employee that is

committed to living nearby for an extended period of time. The program has the potential to reduce employee turnover because competing employment opportunities are less available in a rural community than they would be if the worker decided to commute from a bigger city.

If necessary, the local and/or County government can participate by partially reimbursing the employer for each employee that participates in the program.

Action Steps

1. Speak with major employers in the region, such as Chevron and the Deserado Coal mine to gauge interest in participating in workforce retention programs.
2. Structure agreements between the employers and local government entities to outline program requirements and limitations.
3. Allocate funding. Possible funding sources include RDA funds, HUD grants, etc.

INDUSTRY EXPANSION OPPORTUNITIES

Ultimately, economic development will require attracting new employers and new industries to the County. Based on the strengths of the local economy and the available workforce, several industries in addition to those previously mentioned in Phase 1 have been identified that may be good candidates for expansion or recruitment.

MANUFACTURING

The introduction of niche manufacturing in Rangely, and the expansion of the industry in Meeker is possible due to overlaps be-

tween the skillsets in the mining and oil/gas industries. As has been described previously, this group of the workforce has specialized training in welding, equipment operation, industrial safety, and are generally good at fixing mechanical problems.

Possible issues will arise because manufacturing jobs typically don't pay as much as oil and gas jobs. During oil and gas boom cycles it may be hard to retain some of the workforce, particularly those that took a pay cut when they came into the manufacturing industry. Shipping and transportation costs will be higher in Rangely and Meeker than in other locations near Denver, but the shipping cost differential can be overcome by focusing on high value products.

For example, IDSculpture in Gunnison, Colorado designs and manufactures giant playground equipment made out of cement. The added cost of shipping equipment out of Gunnison is offset by the price they charge for this premium product. Both Rangely and Meeker are closer to I-70 than Gunnison is to the nearest transportation corridor, and should therefore be able to overcome logistical constraints.

NATURAL SODA EXPANSION

Analysis to this point suggests that Meeker would be in a position to expand the natural soda industry by recruiting in intermediate processors and end users of sodium bicarbonate. For example, sodium bicarbonate is used in many products within various industries such as food and baking, personal care & pharmaceutical, animal nutrition, pool & water treatment, and air quality. These intermediate processing companies may gain a strategic advantage by locating close to where the raw ingredient is mined and produced.

NATURAL GAS POWER PLANT

The natural gas power plant opportunity described in the Phase I report still appears to be feasible based on the economic analysis of the County. For example, a lot of the skills of the existing oil and gas workforce will be applicable in a power plant and workforce training costs will likely be less than other potential locations.

Regional factors are also lining up in favor of a new natural gas powered plant. For example, Natural Soda has cited high energy costs as an impediment to expansion, and has considered building their own electricity generation equipment to decrease costs. The Solvay plant may be in a similar situation and might require additional electricity as part of the joint venture expansion. An increase in demand, combined with the push from the Federal government to curtail coal plant emissions, is pushing more utility companies to invest in natural gas plants.

Additionally, the Federal Energy Regulatory Commission ("FERC") recently passed a preliminary ruling allowing rural electric co-ops to purchase increased amounts of electricity from third parties. The ruling clarifies how rural electric co-ops can participate in the Public Utilities Regulatory Policies Act of 1978 ("PURPA"). Specifically, PURPA identified a new class of power plant, called a Qualifying Facility ("QF") that consists of renewable energy projects that are less than 80MW in size, and natural gas co-generation plants. Co-generation plants aren't limited in size, but they are required to verify that at least 50% of the production is being used directly, and not being sold to a utility for general use on the grid. Use cases for natural gas QFs include co-generation plants near industrial users that purchase heating/cooling capabilities and a significant amount of the electricity.

The ruling confirms that local distribution co-ops can purchase power from QFs regardless of exclusivity terms specified in an existing long-term power purchase agreement ("PPA") with a generation and transmission utility. The ruling could have a tremendous impact throughout the Western Slope because it provides entities other than a large generation and transmission utility the flexibility to invest in electricity production capacity that could effectively lower local electricity rates. WREA or Moon Lake Electric are now able to purchase electricity directly from a generating plant, rather than having to go through Tri-State or Deseret Power, and would be able to pass the cost savings on to its membership. Local co-ops are even allowed to participate and own up to 50% of a QF, providing additional stability to electricity rates at the local level.

There are several additional rules and regulations, but a natural gas co-generation plant in the County may be able to qualify as a QF, and would bypass some of the regulatory oversight and red tape typically required for a new generation facility.

Moon Lake Electric rates are already among the lowest in Colorado, so the most immediate benefit would likely be felt by WREA if they were to move forward in establishing a relationship with a QF.

NEXT STEPS

Looking ahead, Phase III will identify and analyze the industry clusters that are present in the County, and will identify opportunities to expand those clusters to create additional jobs. A few of these clusters have been mentioned in Phase I and Phase II, but additional analysis is necessary to identify the best strategy to grow existing clusters and attract additional clusters to the region.

Phase IV will integrate all of the phases into a cohesive plan, and will provide more details regarding the timeline and the steps necessary to implement the strategy and create real results on the ground. Each phase will build on the other to create a workable plan that has the potential to make a lasting impact for the County.

CONCLUSION

Rio Blanco County has been facing economic distress for a significant period of time, although the success of the oil and gas industry has been masking some of the symptoms and negative effects. A thorough analysis of the local economic model has revealed the extent of the County's reliance upon the oil and gas sector, but has also identified opportunities for growth and expansion by leveraging the strengths of additional local resources and available workforce.

Workforce development will be aided by focusing on community development efforts to build a community and an environment that is attractive to employers. Concerted efforts in community development, workforce training, and industry recruitment has the potential to diversify the local economy and decrease the County's reliance upon the oil and gas industry.



Rio Blanco County Economic Development Strategy

Phase III – Market Analysis

Prepared by: Better City

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EXECUTIVE SUMMARY

Rio Blanco County (the “County”) is currently exploring actions that can be undertaken to affect the greatest economic impact for the residents of the towns of Rangely and Meeker. An in-depth market analysis will provide insights to guide investment decisions by identifying and prioritizing industries and opportunities that are best positioned to succeed in a competitive environment. The market analysis will explore topics such as industry clusters, industry performance relative to the region, and potential areas of competitive differentiation.

Cluster Analysis

Historic economic success in the County has been reliant upon the economic clusters of the oil and gas industry, and public administration. These industries are still heavily concentrated within the County, but are losing jobs and activity relative to the region which is an area of concern. Although no industries are currently defined as “emerging clusters” according to the quantitative analysis, several clusters that have the potential to become emerging clusters were identified and include the categories of information, and professional/technical services. Strengthening the arts, entertainment, and recreation industry will create economic activity on its own, but more importantly will help to recruit and stabilize additional clusters.

Oil and Gas Performance

The oil and gas industry has not kept pace with State job growth due to the competitive advantages of other regions in the State and the Nation. The oil and gas deposits within the County will likely remain more sensitive to global market forces due to the type of product that is available.

Competitive Differentiation

Potential areas of competitive differentiation include several quality of life assets and abundant natural resources. The rural nature of the County, including the small population and isolation from other population centers will limit retail trade and puts some businesses, such as those that rely on shipping, at a disadvantage.

Cost of Doing Business

The County is competitive in terms of the general costs of doing business compared to neighboring communities. In particular, the County benefits from low real estate costs, low electricity rates, and moderate labor costs.

Areas for Future Economic Development

Through the analysis contained herein, four broad areas for future economic development efforts emerged, namely: location-neutral businesses, aviation, niche manufacturing, and tourism. Each of these areas has the potential to provide significant economic impacts to the local economy. The eventual impact will depend heavily on the ultimate size of investment that the community is willing to make, but estimates suggest that the creation of ten location-neutral business jobs would increase local wages by \$1.5M. Aviation expansion in Rangely, particularly with international students, has the potential to increase local economic activity by \$1.3M annually. The creation of fifteen new niche manufacturing jobs would increase local wages by \$840k. Tourism will generate an economic impact on its own merit, but more importantly it has the potential to create the attractive environment that will enable the other economic development efforts to move forward.

INDUSTRY CLUSTER ANALYSIS

An industry cluster is defined as a group of inter-related businesses that together are able to reach a critical mass that provides mutual benefit to all businesses within the cluster. Clusters typically occur as a result of historic, cultural and sometimes geographical factors that allow particular businesses and industries to thrive. Identifying the presence and health of current and emerging industry clusters provides insight regarding which industries are best positioned to capture future economic growth. The industry cluster analysis will be conducted using a combination of shift share analysis and location quotient analysis.

SHIFT SHARE ANALYSIS

Methodology

Shift share analysis is a method of dissecting job growth into its component parts to better detect the factors contributing to growth. The analysis uses 2010 and 2014 as reference years and identifies the following three components:

State Share

State Share is the portion of job growth that can be attributed to overall economic growth that has occurred from 2010-2014 in the State of Colorado. It is calculated by multiplying the number of jobs in the local area at the beginning of the time period by the Statewide growth rate. The calculation produces the number of jobs that are expected to be gained (or lost) if the County experienced the same overall growth rate as the State.

Industry Mix

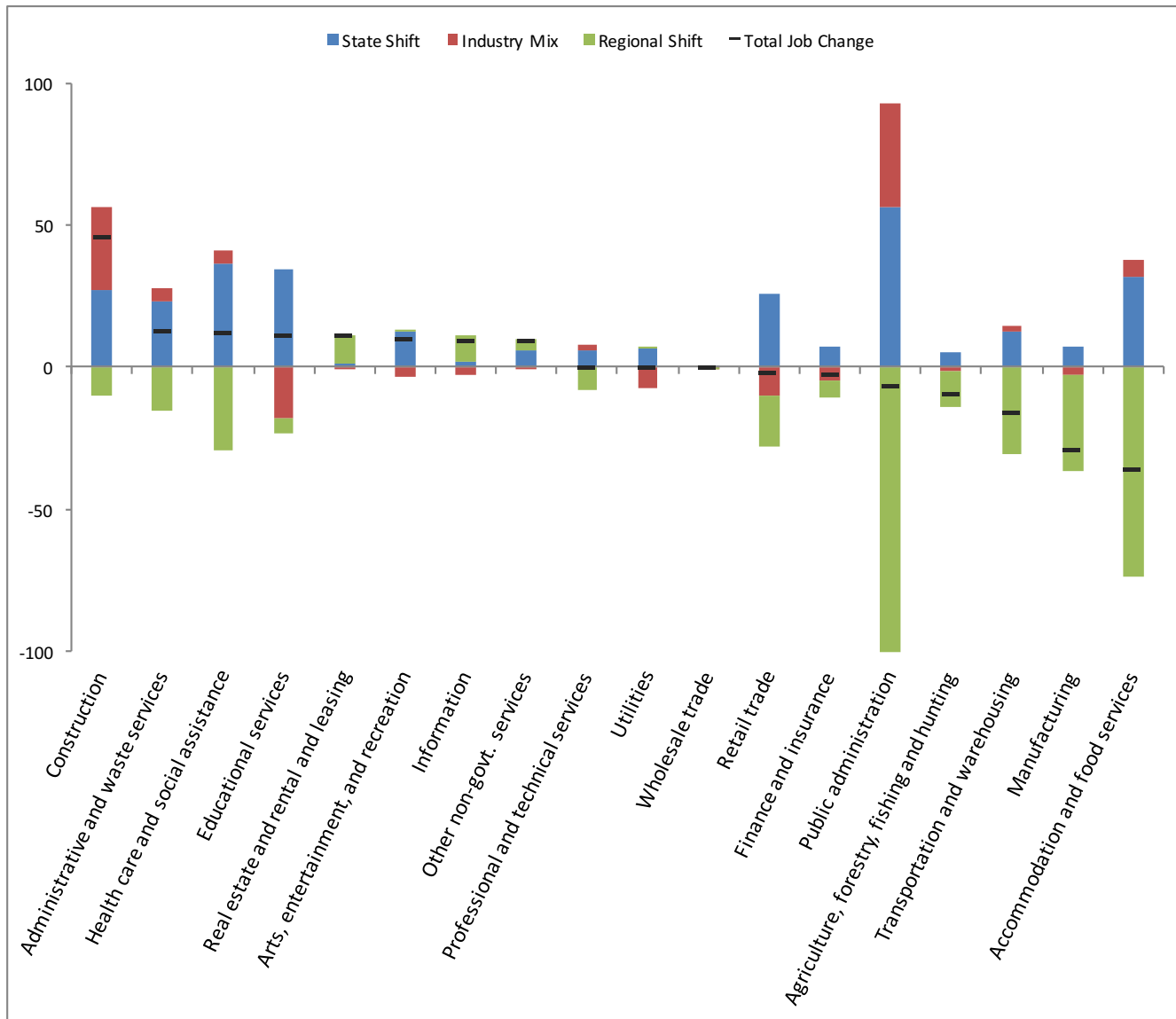
Industry mix represents the portion of an industry's job growth in an area due to that industry's statewide expansion or contraction. It is calculated by multiplying the number of jobs in the local area at the beginning of the time period by the Statewide growth rate for the specific industry, and subtracting state share.

Regional Shift

Regional Shift is the most important component of job growth for local economic development. It highlights the change in employment that is due to an area's competitive advantages in a particular industry. It is calculated by subtracting industry mix and state share from the total number of jobs gained or lost in the selected local industry.

Analysis

The State economy recovered effectively from the recession of 2008-2009 and grew quickly from 2010 through 2014. Overall, the number of jobs in the State grew by 13% over the reference period as compared to a 5% decline in Rio Blanco. The impressive State growth results in a significant positive State Shift (see Figure 1). The Industry Mix is positive for approximately 50% of the reported industries, including major County contributors such as mining and oil/gas extraction, public administration, and construction. The mining and oil/gas industry is not shown in Figure 1 because this industry dwarfs the other categories and makes it difficult to determine trends.



Source: BLS

Figure 1: Shift Share Analysis, 2010-2014

The Regional Shift is negative in almost every category, meaning that the County has not kept pace with the economic recovery experienced throughout the State. Exceptions include the industries of real estate, information (which includes publishing, newspapers, telecommunications, and other related businesses), and other non-governmental services (includes repair and maintenance, beauty salons, personal services, etc.). The black line within each column in the figure depicts the net impact of the State, Industry, and Regional Shifts and shows the overall change in jobs in each category.

As evidenced in the Shift Share Analysis, the economic boom along the Front Range is masking the economic challenges along the Western Slope, which has been a major point of frustration to residents of the County and along the Western Slope generally.

Table 1 summarizes the results of the shift share analysis for the four industries within the County that experienced the most job growth, and the most job losses (dashed line separates categories of growth from loss). A complete list can be found in Appendix A. It is important to note that subcategories within each of these industries may not have experienced the same overall trend as the industry generally. For example, Natural Soda has a very stable outlook and is experiencing rapid growth, but their business falls within the mining and oil/gas industry which shows job losses over the reference period. Other than a few anecdotal examples like Natural Soda, the total number of businesses within the County is small enough that the data for subcategories is suppressed to preserve confidentiality of individual firms.

Industry	State Shift	Industry Mix	Regional Shift	Total Job Change
Construction	27	29	-10	46
Administrative and waste services	23	5	-15	13
Healthcare and social assistance	36	5	-29	12
Educational services	34	-18	-5	11
Transportation and warehousing	12	2	-30	-16
Manufacturing	8	-2	-34	-29
Accommodation and food services	32	6	-74	-36
Mining and oil/gas	102	217	-481	-162

Source: BLS

Table 1: Industries with the Greatest Change in Total Jobs

EMPLOYMENT LOCATION QUOTIENT ANALYSIS

Methodology

Employment location quotient (LQ) is a method of quantifying the concentration of an industry cluster in an area when compared to the State average.

LQ's are calculated as shown below.

$$\text{Location Quotient (LQ)} = \frac{\text{Local Proportion}}{\text{State Proportion}}$$

$$\text{Local Proportion} = \frac{\text{\# of Employees in Industry X in County}}{\text{Total \# of Employees in County}}$$

$$\text{State Proportion} = \frac{\text{\# of Employees in Industry X in State}}{\text{\# of Employees in State}}$$

For example, in 2014 the County had 2,980 estimated jobs and 108 jobs in the arts, entertainment and recreation industry resulting in a local proportion of 3.6%. For the same period, Colo-

rado had 2,413,125 estimated jobs and 50,111 were in the arts, entertainment and recreation industry for a state proportion of 2.1%. The LQ is derived by dividing the 3.6% local proportion by the 2.1% state proportion resulting in an LQ of 1.7. This indicates that the concentration of arts, entertainment and recreation jobs in the County is approximately seventy percent greater than the state as a whole. An LQ of 1.0 would mean that the local concentration of an industry is the same as the statewide concentration.

Industries with high LQ's (above 1.25) are typically export-oriented industries that are beneficial to a local economy because they bring outside money into the region. High LQ industries may also indicate a higher than average demand in an area. Industries that have both high LQ's and high job numbers typically form a region's economic base. Such industries not only provide jobs directly, but also have a multiplier effect, creating jobs in other dependent industries like retail trade and food services. Industries that are unable to support local demand typically have an LQ below 0.75.

Analysis

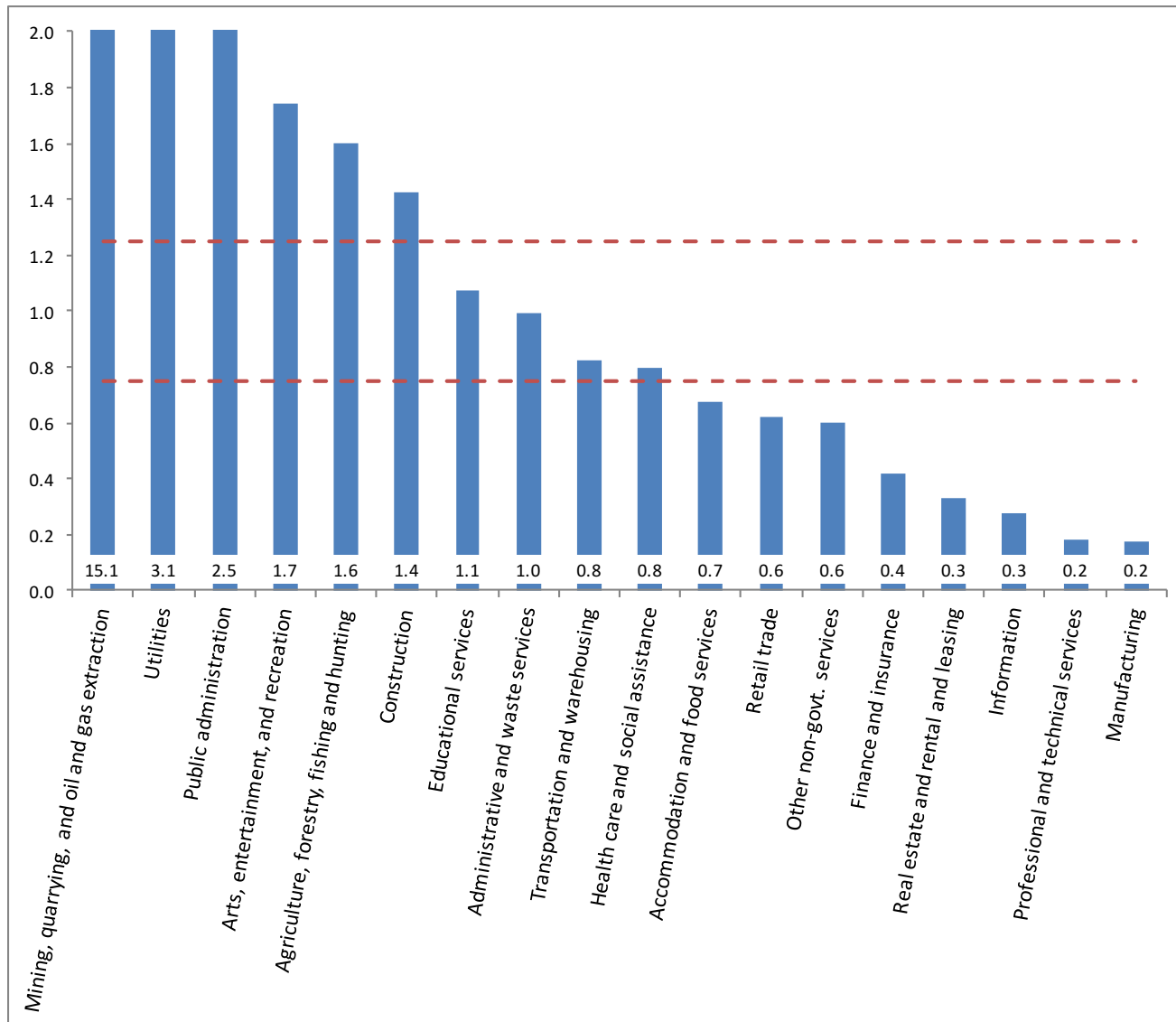
Figure 2 shows the LQ calculations for the County, and the dashed lines in the figure represent the 1.25 and 0.75 thresholds described above. The most concentrated industries in the County are mining and oil/gas, utilities, public administration, arts, entertainment and recreation, and agriculture, forestry, hunting and fishing. The mining and oil/gas industry is a key source of outside revenue and its concentration is due to the abundant natural resources that are found within the County.

Although utilities and public administration have high LQ values, these industries are typically not significant sources of outside money coming into the County. Rather, these industries typically

circulate and redistribute money throughout the County. Also, these industries often require a minimum number of jobs to maintain an adequate level of service, and that minimum number may be proportionally larger than what occurs in larger population centers.

The industries of arts entertainment and recreation and agriculture, forestry, fishing and hunting may have some overlap, particularly in outfitting and other guided hunting operations. Some industries that fall below the average range such as manufacturing, may highlight a disadvantage of the area such as its distance from major freeways. Others that currently have a low level of concentration may present opportunities for future growth, particularly within industries that rely on fast and reliable Internet speeds such as information, professional and technical services, and finance and insurance. Once the County's broadband project is completed, these industries will potentially be able to compete on a national level, whereas their growth has historically been limited to the local market.

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Source: BLS

Figure 2: Location Quotient Analysis, 2014

INDUSTRY CLUSTER MATRIX ANALYSIS

Methodology

Shift share and location quotient measures can be combined into a matrix analysis to provide a more comprehensive view of the local economy. The analysis plots industries in a two-by-two matrix with the natural logarithm of location quotient on the x-axis and job growth as represented by regional shift on the y-axis. The size of each industry bubble in the matrix represents total number of jobs in the industry within the County. Similar analysis can be performed using other measures for job growth and industry concentration; however, regional shift and the natural logarithm of the location quotient provide advantages over other variables. These advantages are shown in Figure 3.

Other Variables	Better City Variant
Y-Axis: Industry Job Growth Rate	Y-Axis: Regional Shift as calculated using Shift Share Analysis. Advantage: This method shows the growth that is due to inherent strengths in the region, excluding growth due to statewide and industry trends.
X-Axis: Location Quotient	X-Axis: Natural Logarithm of Location Quotient Advantage: Large outliers can cause apparent clustering of other industries. This variable depicts the differences between LQs, but on a comparable scale. With this measure, an industry with a concentration equal to the state average would have a value of 0 rather than 1.

Figure 3: Better City Industry Cluster Matrix Variables

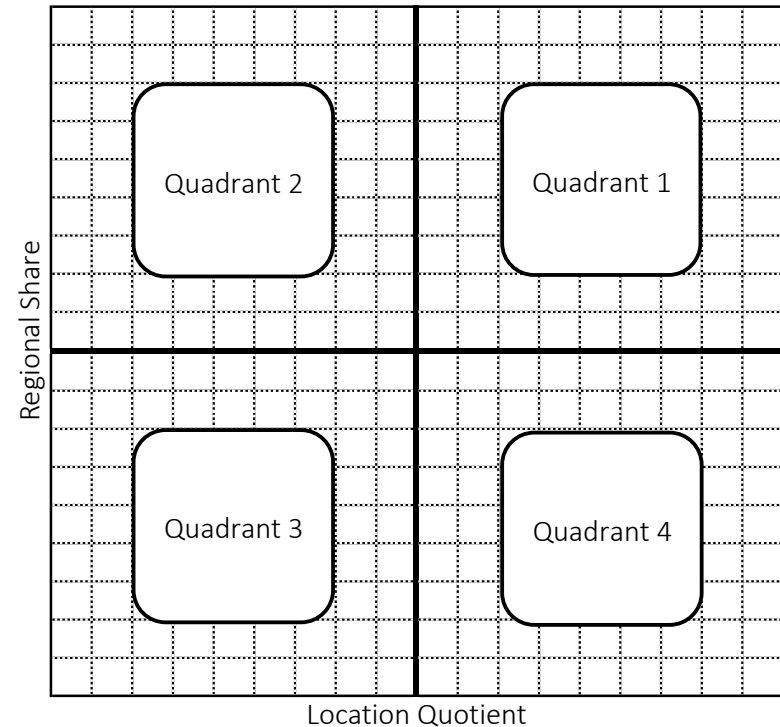


Figure 4: Industry Matrix Quadrants

In this analysis, industries will fall into one of four quadrants, as shown in Figure 4.

Quadrant One: Industries in this quadrant are concentrated in the region and are growing due to regional advantages. Large industries in this quadrant distinguish the regional economy as they increase workforce demand. Small industries in this quadrant are possibly emerging exporters that should be developed.

Quadrant Two: Industries in this quadrant are growing over time, but are still less concentrated than the state average. Depending on the industry, they may settle at the state average or continue to grow and move into Quadrant One.

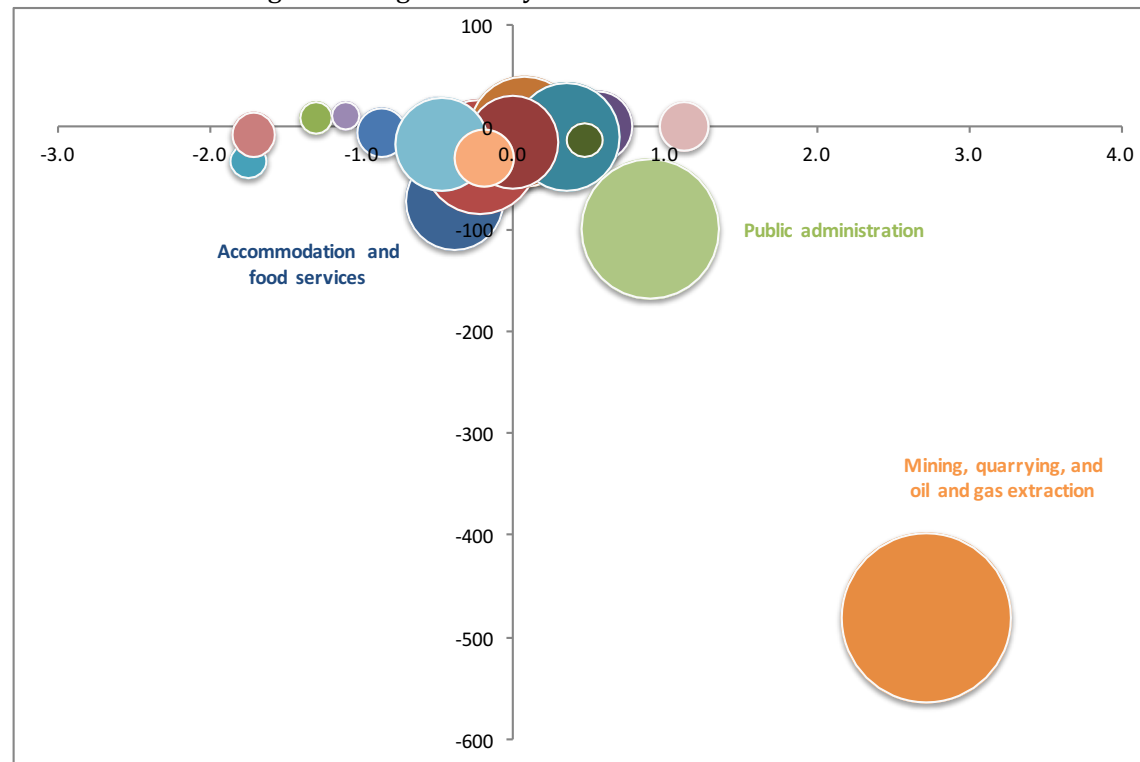
Quadrant Three: Industries in this region are less concentrated than state averages and are losing ground. Such industries may face significant competitive disadvantages in the area.

Quadrant Four: Industries in this quadrant are declining, but are still more concentrated than the state average. If a large industry

is in this quadrant the region is often losing its export base. The County should plan and invest accordingly.

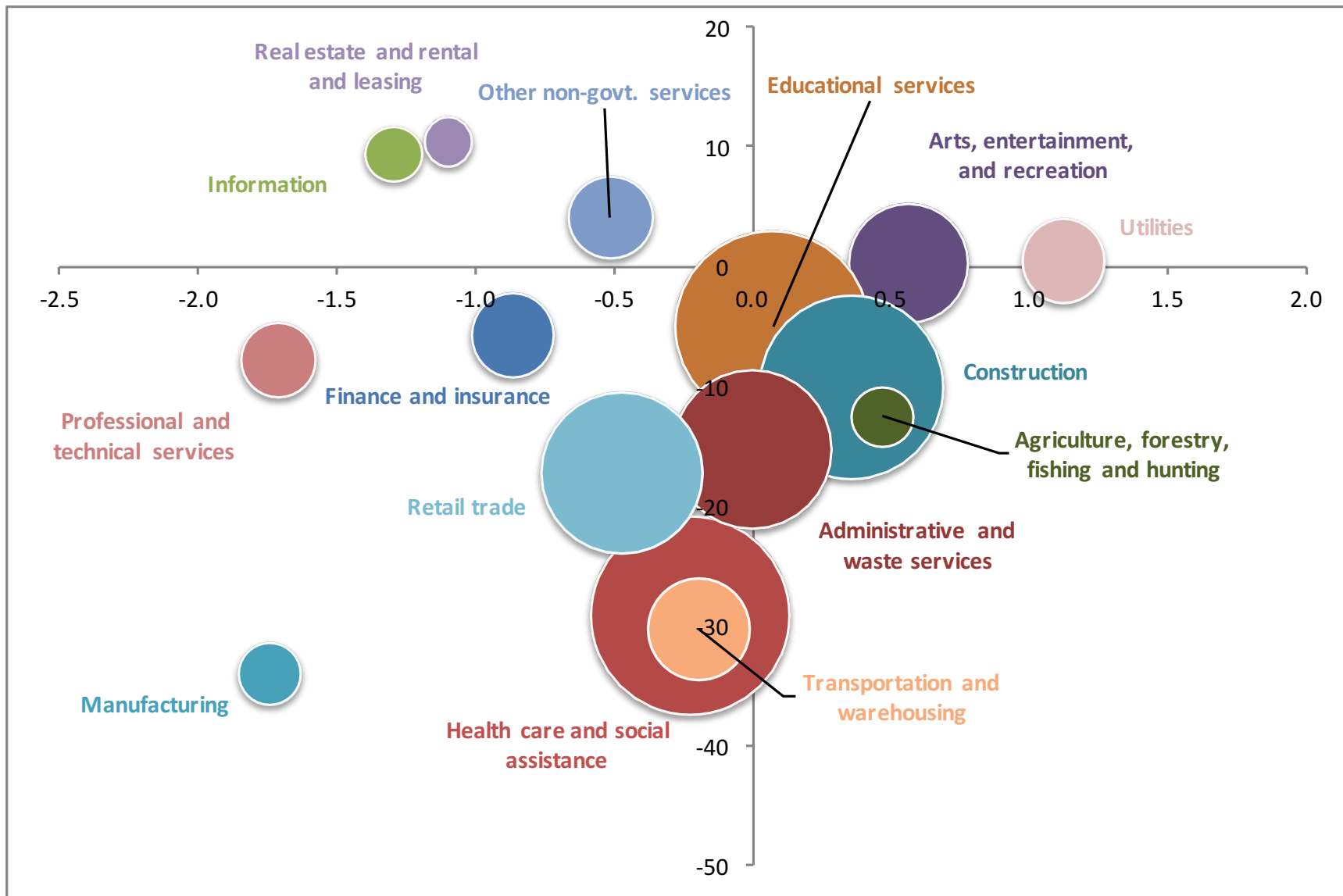
Analysis

Figure 5 and Figure 6 depict the industry cluster matrix analysis for the County from 2010-2014. The industries of mining and oil/gas extraction, public administration, and accommodation and food services were removed from Figure 6 to allow a better look at the performance of all of the other industries.



Source: BLS

Figure 5: Industry Cluster Matrix Analysis Part 1



Source: BLS

Figure 6: Industry Cluster Matrix Analysis Part 2

Quadrant One

Although no industries technically fall within quadrant one, the industries of arts, entertainment, and recreation and utilities are right on the border. As described previously, the utilities industry is not typically a source of exports, and may be more concentrated within the County than the rest of the State due to the minimum number of jobs necessary to provide an adequate level of service.

The arts, entertainment and recreation industry can be a source of exports to the extent that non-residents are entering the County to participate in recreational opportunities that are provided. A portion of this industry is also focused on County residents, and examples include the recreation districts in Rangely and Meeker. This industry has kept up with State job growth, and is more concentrated than the State average. The improvement of current recreational offerings, along with the addition of new opportunities, has the potential to increase the export potential of this industry.

It is important to note that enhancements within the arts, entertainment, and recreation industry will have a broader impact than just the primary jobs that may be created within this industry alone. Lifestyle is becoming an increasingly important factor when it comes to employers and employees choosing where to live, and lifestyle often comes down to the outdoor recreation opportunities of a given area. In this regard, investment in this industry will be crucial to create the type of environment that will be attractive to all other businesses and industries.

Quadrant Two

Of the three industries located within quadrant two, the information industry has the most potential for the type of growth that would be necessary to eventually move the industry into

quadrant one. Businesses within this industry are often “location-neutral,” meaning that they can operate from anywhere in the world as long as they have a reliable broadband Internet connection. Specific businesses may include publishers, telecommunications, website hosting, data processing, data centers, and other information services. Many of these industries provide what are considered to be “high-tech” jobs that are high paying and attractive to millennials.

Other non-governmental services is a very broad category and includes everything from automotive repair to beauty salons. Most of these sub-categories are typically dependent upon the demand from the local market. The real estate rental and leasing industry also relies mostly on demand from the local market. These industries have the potential to grow to the point that they are equal to State averages, but it is unlikely that they will become export industries.

Quadrant Three

Quadrant three includes the industries of professional and technical services, finance and insurance, retail trade, accommodation and food services, healthcare and social assistance, transportation and warehousing and manufacturing. Of these, professional and technical services, and finance and insurance are close to quadrant two, and are only slightly behind State job growth. These industries have the potential to benefit tremendously from the County’s broadband project, as many of the potential jobs within these categories can be “location neutral.” These potentially emerging industries will benefit from increases in local market demand, but more importantly have the potential to become export industries that can compete on a national or global level and can be an important source of outside money.

Manufacturing and transportation and warehousing face challenges in the County due to the distance from major freeways and the lack of railroad access. These industries will likely continue to remain relatively small, unless significant changes occur such as extending rail access into the County. However, niche manufacturing of small and relatively high value products is currently occurring in the County, and has the potential to continue to grow, although the industry may not be able to keep pace with State averages.

Remaining industries of retail trade, accommodation and food services and healthcare and social assistance are currently losing ground compared to State job growth, although they are almost as concentrated within the County as they are in the State. Focusing on the development of additional outdoor recreation opportunities may help the County capture more of its “fair share” of accommodation and food service activity. The County is not a retail node, but the potential of it becoming one will be explored later in this report. At the very least, increased tourism into the County will help stabilize this industry.

Healthcare and social assistance will likely remain dependent upon local demand, although there is a possibility of exporting some services as the field of “medical tourism” is on the rise. Medical tourism is the fairly recent trend of patients choosing to undergo elective surgeries in a distant location that offers a unique environment for the patient to experience while recovering. Both communities within the County have state-of-the-art facilities and excess capacity that could potentially be used to treat “medical tourists.”

Quadrant Four

Quadrant four includes the industries of mining and oil/gas extraction, public administration, construction, agriculture, forest-

ry, fishing and hunting, administrative and waste services, and educational services. The oil and gas industry is the largest industry within the county, and its location in the far bottom corner of quadrant one means that although it is much more concentrated in the County than it is in the rest of the State, the industry has been losing ground rapidly. In essence, the County would have had to add more than 300 oil and gas jobs over the last five years just to keep pace with the State’s growth. Instead, the County lost 162 jobs within the oil/gas industry, leaving a net deficit of nearly 500 jobs. The analysis suggests that the State has been impacted much less by the recent global oil/gas slump than the County has. Possible reasons for the discrepancy will be explored in a later section of this report. Overall, the location of the oil and gas industry within the matrix signals the importance of the County to invest in initiatives that will create opportunities outside the oil and gas industry.

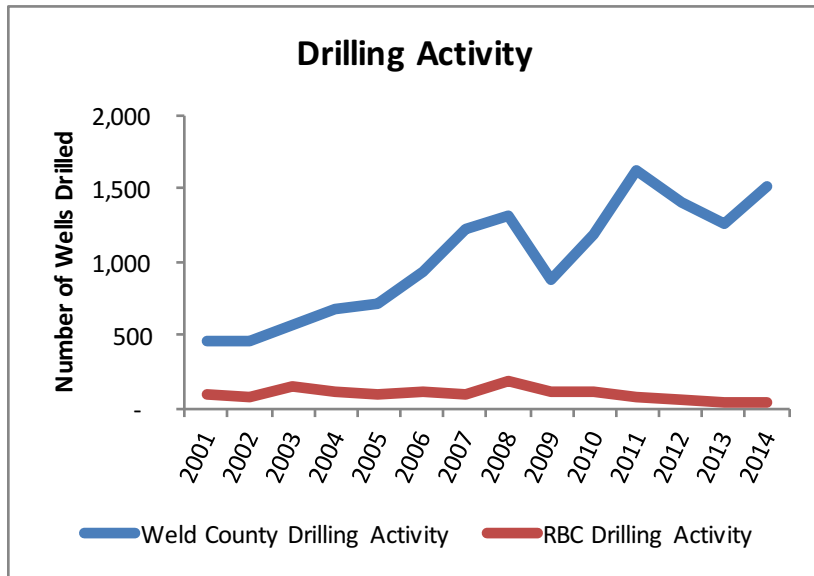
Similarly, public administration is more concentrated within the County than it is within the State, but the County has not added public administration jobs as quickly as the State has over the last five years.

The educational services industry is near the origin, meaning that this industry has stayed relatively on par with State averages both in terms of concentration and job growth. Surprisingly, construction has held its ground, despite the slowdown in the oil and gas industry. Other than the agriculture, forestry, fishing and hunting industry, the remaining industries located within quadrant four do not present a significant export opportunity.

OIL AND GAS INDUSTRY PERFORMANCE

As has been described in the Phase I and Phase II reports, the oil and gas industry has been a mainstay of the local economy for

decades. The Weber oil deposit near Rangely is well known as one of the oldest, and best producing oil deposits within the region. Additionally, the Piceance basin near Meeker has been the richest natural gas deposit within the State. However, recent discoveries and improvements in hydrocarbon exploration and extraction technologies have not significantly impacted the County in a positive way. Instead, investment and exploration activity has shifted to other parts of the State and the Nation.



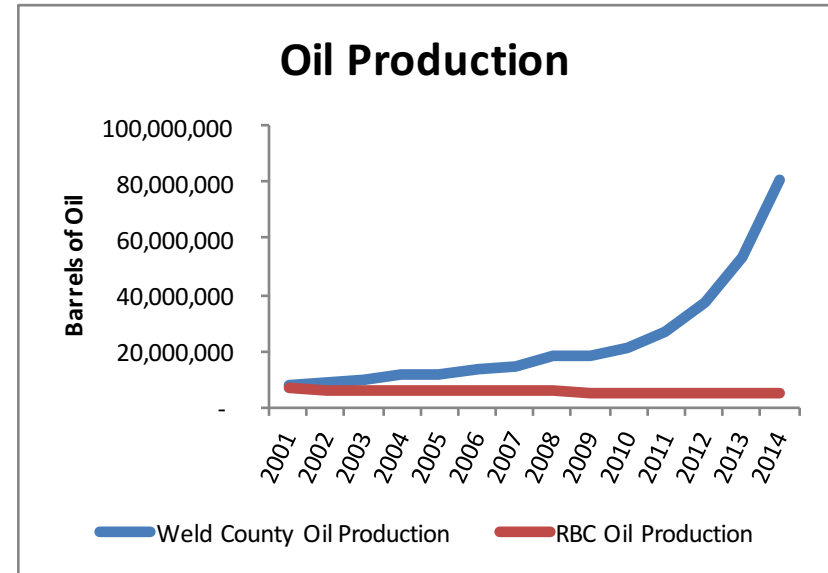
Source: COGCC

Figure 7: Drilling Activity Comparison

For example, Weld County, Colorado has continued to see drilling activity throughout the most recent industry downturn, while drilling activity in Rio Blanco County has contracted to a small trickle (see Figure 7).

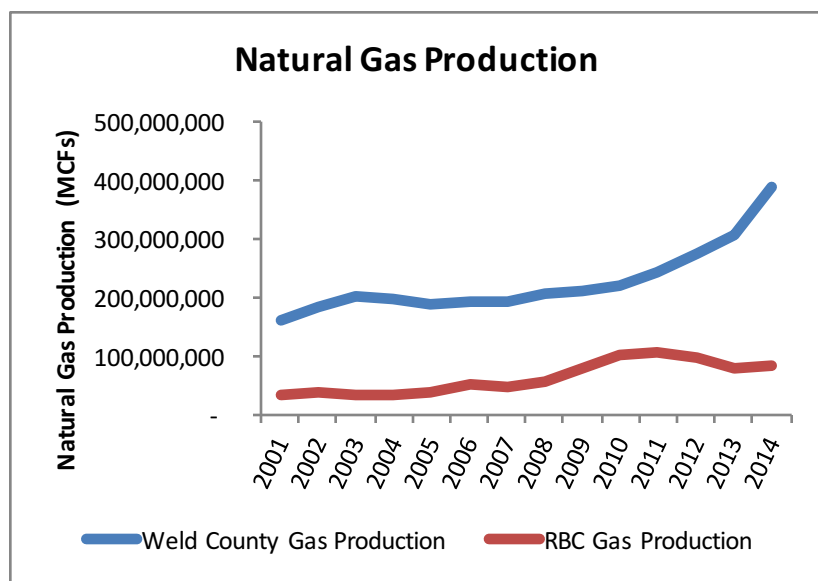
The deposits in Weld County are typically thought of as oil deposits, and their oil production rate has far surpassed the pro-

duction of the Weber deposit near Rangely (see Figure 8). However, even though the operators are drilling primarily for oil in Weld County, they are still able to recover substantial amounts of natural gas (see Figure 9). In contrast, the gas found within the Piceance Basin near Meeker is a “dry” gas, and therefore does not yield many byproducts.



Source: COGCC

Figure 8: Oil Production Comparison



Source: COGCC

Figure 9: Natural Gas Production Comparison

In essence, for the same amount of upfront investment (the cost of drilling a well) operators in Weld County and other oil/wet gas deposits are able to obtain multiple revenue streams from a single well. Therefore, when the price of oil and natural gas slumps, operators choose to focus their attention on oil and wet gas deposits, rather than dry gas deposits, in order to maximize profits. As a result, dry gas deposits are most sensitive to price slumps, and will continue to receive limited investment until the price of natural gas increases to the point that operators can justify going after a single revenue stream. From a State perspective, the oil and gas activity in Weld County and other parts of the State has more than compensated for the decrease in activity along the Western Slope. Looking just at the State oil and gas extraction trends makes it appear as though “all is well,” while a

detailed look at the Western Slope, and Rio Blanco County in particular, shows a much different story.

COMPETITIVE DIFFERENTIATION

Rio Blanco County is home to many unique assets that set it apart from other counties throughout the region. Analyzing specific areas of competitive differentiation can provide insight into which industries may be best positioned to grow, or to enter into the local economy. Likewise, there may be inherent disadvantages that may be the source of difficulties for particular industries. While some disadvantages are only current and can be mitigated with time and resources, some may take decades to correct. The County should allocate resources to take advantage of the low hanging fruit, while still investing and positioning itself for future economic growth.

NATURAL ASSETS

Natural Resources

As has been described in the Phase I and Phase II reports, the County is home to many natural resource deposits including coal, oil, natural gas and sodium bicarbonate. Although these resources are subject to global market prices, they are scarce in nature and will be a source of continued revenue for County businesses.

Water resources are found throughout the County, the White River being one of the most prominent sources. Additionally, the Kenney Reservoir near Rangely provides water storage and recreation opportunities.

Public Lands

Approximately 75% of land within the County is designated as public land and is managed by both the BLM and the Forest Service. The large expanse of public lands creates an abundance of outdoor recreation opportunities.

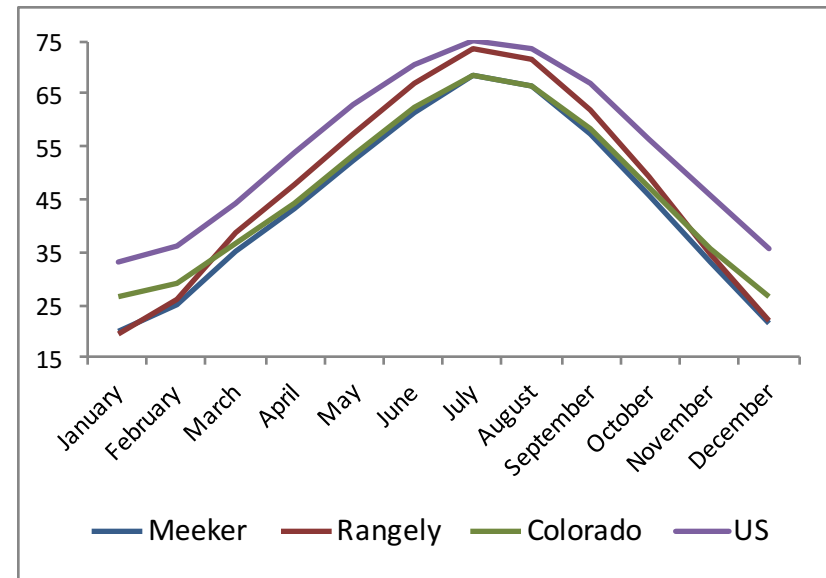
Other

Additional assets are outlined and described in the Phase I report.

CLIMATE

Temperature

Temperature in Meeker closely follows the State average, while the temperature in Rangely is more extreme in both the summer and the winter. On average, Rangely is approximately five degrees warmer than Meeker and the State throughout the spring, summer, and fall months, and is approximately ten degrees cooler during the winter months. It is not uncommon for temperatures to dip into the -20s in Rangely during the winter. Figure 10 shows how average temperatures compare to the State and National averages.



Source: usa.com

Figure 10: Average Temperature Comparison

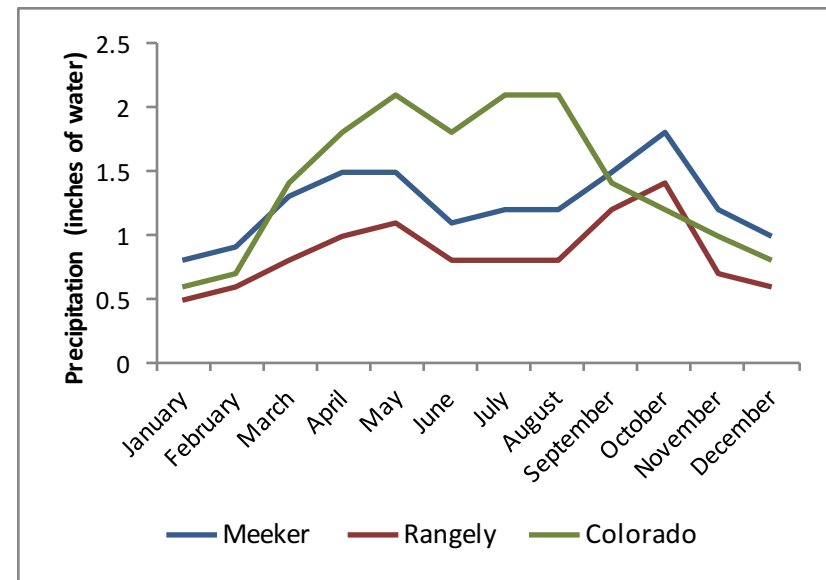
Average temperature can have an impact on the potential to recruit new businesses. For example, data centers consume large amounts of electricity and produce tremendous amounts of heat as a byproduct. Centers located in warm climates are required to spend significant amounts of money just to cool their servers and other electronic equipment. In this regard, one of the elements taken into consideration when choosing a location for a new data center is the amount of additional cooling costs that will be required.

Both towns have lower mean temperatures than the Nation, although Meeker is lower by a larger margin. The lower temperatures as compared to the National average may help recruit data center operators due to the advantage of saving on cooling costs as compared to warmer climates.

Data centers can also be designed to allow other neighboring buildings to recapture and take advantage of the excess heat from the center. For example, a data center in Uitikon, Switzerland has a heat exchange system that can “reuse up to 90% of the electrical power consumed by the data center as heat energy,” according to an IBM press release. The Swiss data center is relatively small, but it produces 2,800 MWh of waste heat per year when at full capacity – enough to heat up to 80 homes. However, instead of heating homes, the data center has contracted with local government officials to use the excess heat to provide hot water to a nearby indoor swimming complex. Depending on the size of a potential data center in the County, it may even have the ability to generate enough excess heat to create a “hot springs” amenity. Such an amenity has the potential to create additional economic activity, and could be a valuable community asset, particularly when the winter months can be so bitterly cold.

Precipitation

The Towns of Meeker and Rangely receive approximately fifteen and ten inches of precipitation per year, respectively. Both towns receive less than the State average of seventeen inches per year (see Figure 11). Runoff from snowfall which feeds into the White River is vitally important to both communities and serves as the source of drinking water, and provides recreational opportunities such as fishing, boating, rafting, etc. Additional reservoir opportunities along the White River are currently being explored by groups within the County. The creation of a new reservoir of the size and scope of the planned project would provide a tremendous benefit to local communities in terms of water storage capability, and additional recreational opportunities.

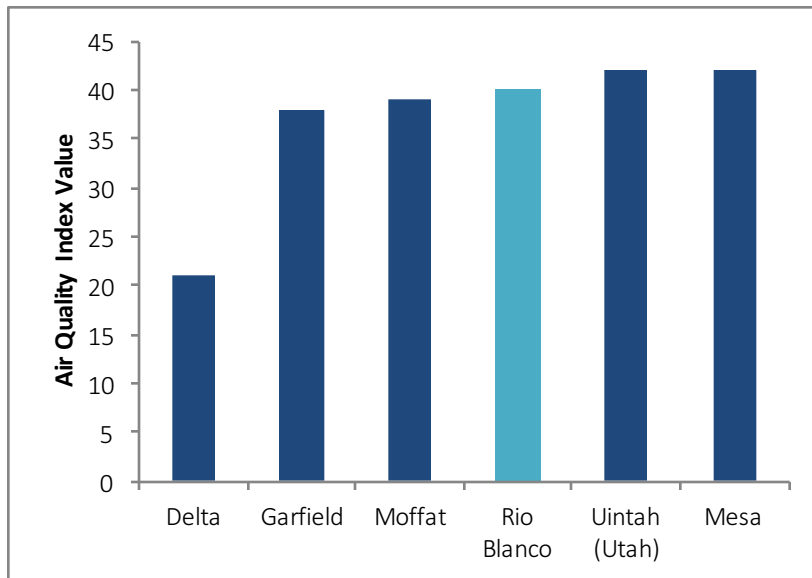


Source: usa.com

Figure 11: Average Precipitation Comparison

Air Quality

The Environmental Protection Agency (EPA) has established the Air Quality Index (AQI) as a method of establishing a daily measure of air quality at a given location. Air quality ranges from low values to high, or “Good” to “Very Unhealthy” depending on the level of air pollution. Air quality in Rio Blanco County is good with a median AQI value of 40. The average AQI in the County is within the range of neighboring counties, but is higher than other agrarian counties such as Delta (see Figure 12). Overall, the County’s AQI falls within the “Good” category more than 95% of the time.



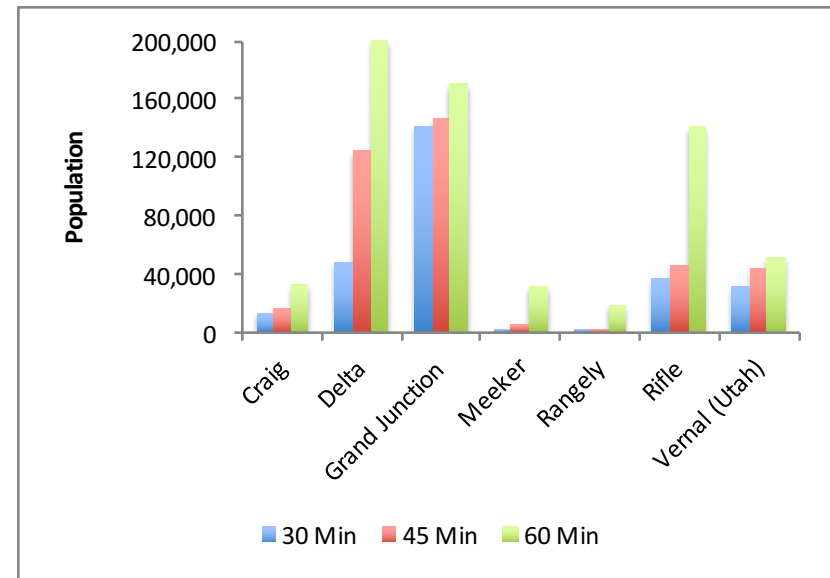
Source: EPA

Figure 12: Median Air Quality Index Value

LOCAL MARKET

Market Size

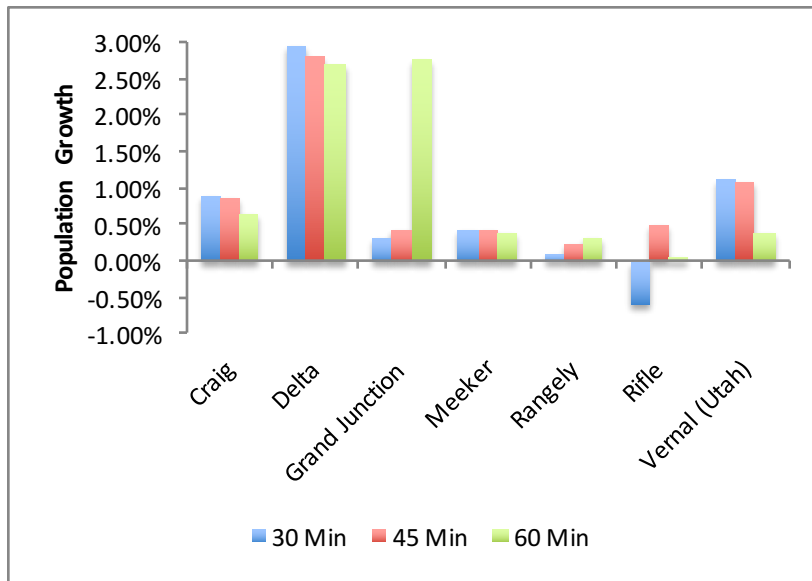
The size of the local market is important for establishing the level of demand that can be relied upon for the support of local businesses. Tourism is an important factor and contributes to the health of many local businesses, but ultimately the local market size often dictates the number and type of business establishments and amenities that can successfully operate within an area. Figure 13 depicts the population within a specified driving time, and shows that Meeker and Rangely have a much smaller local market size than many of the comparison communities.



Source: ESRI

Figure 13: Market Size within Driving Radius

In addition to the current local market size, it is important to look at growth trends within the same driving radii to get a better understanding of future local market demand. Figure 14 shows the forecasted population growth trends through the year 2020. Forecasted population growth over the next five years is much less in Rangely and Meeker than the comparison cities (other than Rifle), and is not expected to have a significant impact on the local market size. Overall, the small local market size will likely prevent the County from becoming a significant retail node in the foreseeable future.



Source: ESRI

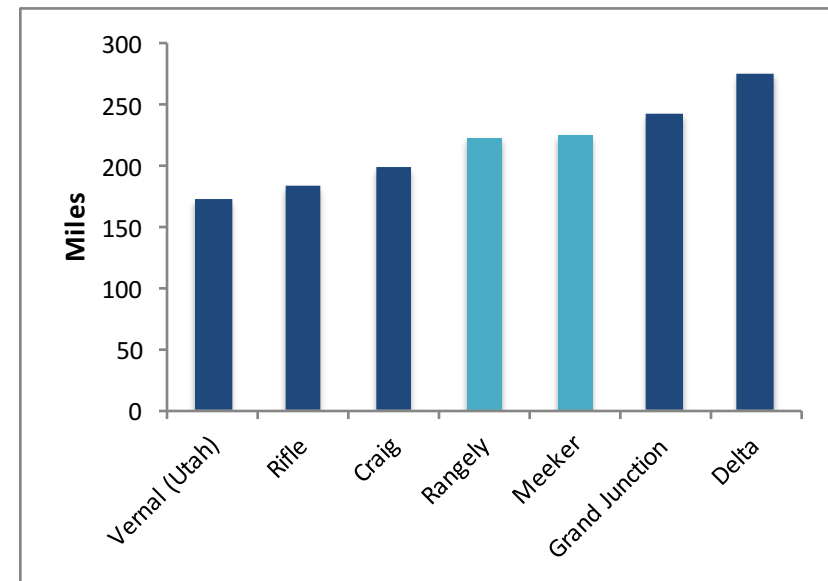
Figure 14: Population Growth within Driving Radius

Proximity/Access

The Towns of Rangely and Meeker are located along US Highway 64, and are approximately 75 and 45 miles away from the nearest Interstate (I-70), respectively. US Highway 40 is the busiest highway near Rangely and Meeker and is located approximately 18 and 45 miles to the north, respectively. Additionally, US Highway 13 runs through Meeker and serves as a connection between I-70, Highway 40, and beyond to I-80.

Distance from major transportation corridors has been a factor historically in general tourism traffic, although hunting season and special events have shown that targeted tourism can be successful. Both towns are under a two-hour drive to the nearest large city (Grand Junction, Colorado), but the communities are far removed from the nearest Metropolitan Statistical Area

(MSA). In the case of Rangely, the nearest MSA is Salt Lake City, Utah which is 222 miles to the west. For Meeker, Denver is the nearest MSA and is located 225 miles to the east. Figure 15 shows that Rangely and Meeker are in the middle of the range of the comparison cities in terms of the distance to the nearest MSA. The distance creates a disadvantage for regional tourism and other industries that rely on the Front Range as a key market.



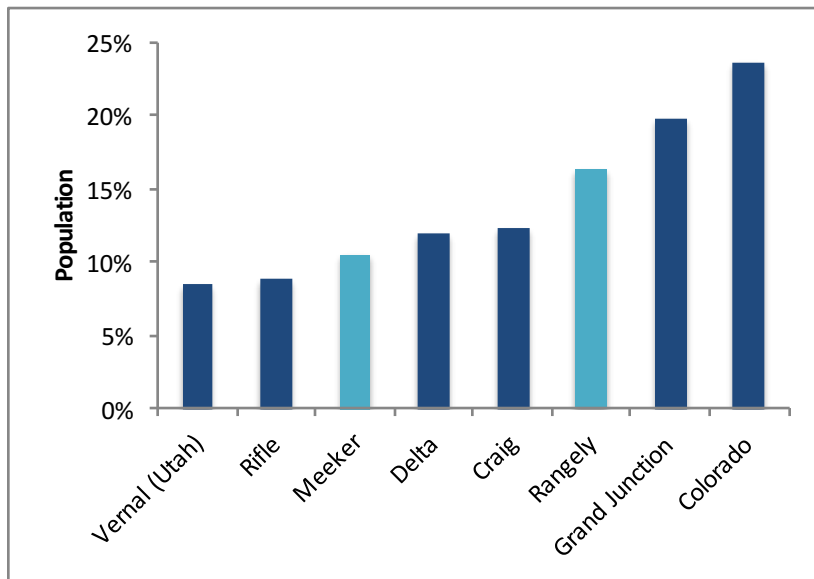
Source: Google Maps

Figure 15: Distance to Nearest MSA

Educational Attainment

The presence of an educated labor pool is a key competitive advantage for some industries. Figure 16 shows that Rangely has the second highest educational attainment rate out of the comparison cities. Its percentage is only slightly behind Grand Junction, and is higher than other oil and gas communities like Ver-

nal. The level of education within the available labor pool in Rangely relative to neighboring communities may help in recruiting high tech jobs, such as a data center. Meeker's reported level of educational attainment is within the range of comparison cities.



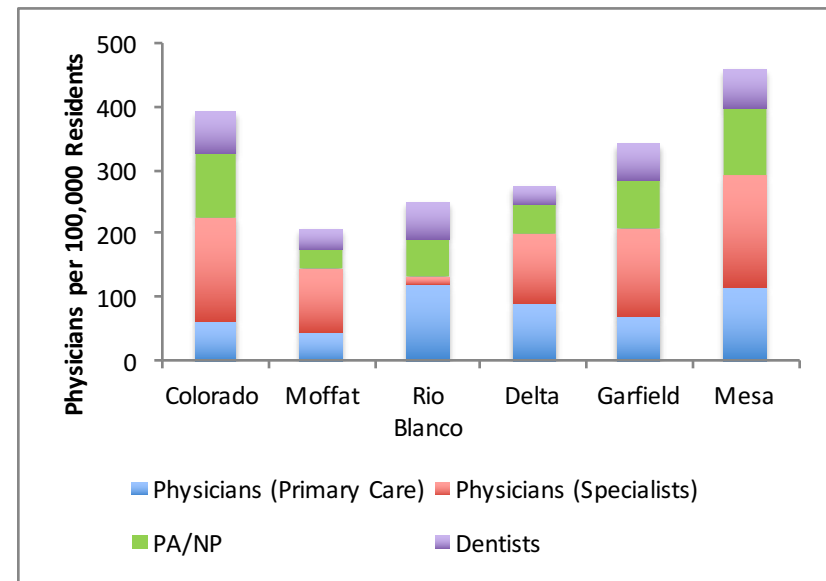
Source: US Census

Figure 16: Population 25+ with a Bachelor's Degree or Higher

Access to Healthcare

Figure 17 shows the number of practicing physicians, physician assistants (PA), nurse practitioners (NP), and dentists per 100,000 residents. The County has fewer healthcare providers than the state average, which is to be expected for a rural community. The total number of physicians is within the range of comparison counties. However, Figure 17 also shows that the County has a much different allocation between primary care physicians and specialists than the comparison cities. For exam-

ple, the County has approximately fifteen specialists for every 100,000 residents, whereas neighboring Moffat County has approximately ninety-nine. Medical tourism, which has been described previously as an opportunity within the County, typically relies on specialists, which are currently lacking within the County. The small number of specialists may make it difficult to attract medical tourism, but it also represents an area of possible expansion.



Source: Colorado Dept. of Public Health and Environment

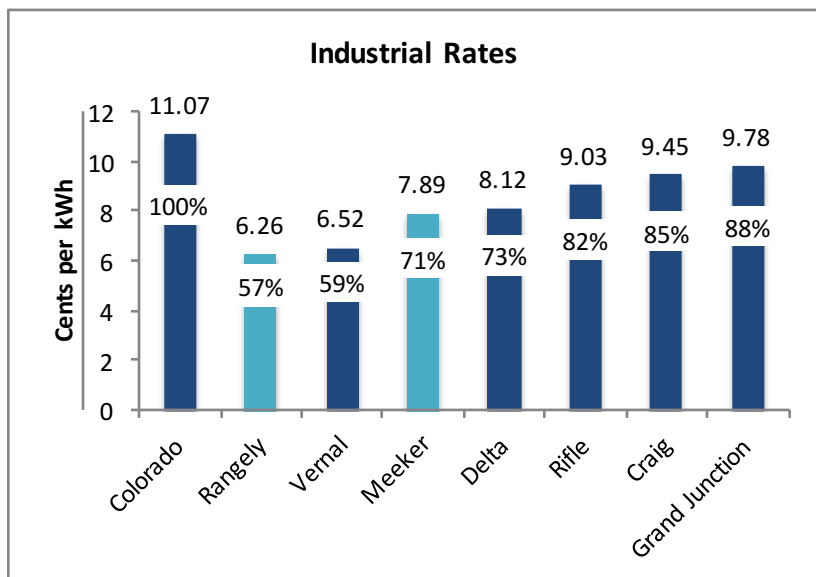
Figure 17: Healthcare Providers per 100,000 Residents, 2013

COST OF DOING BUSINESS

Electricity Rates

Electricity rates within the County are more favorable than State averages and many of the comparison cities. **Error! Reference source not found.** and Figure 19 show the average cost per kWh

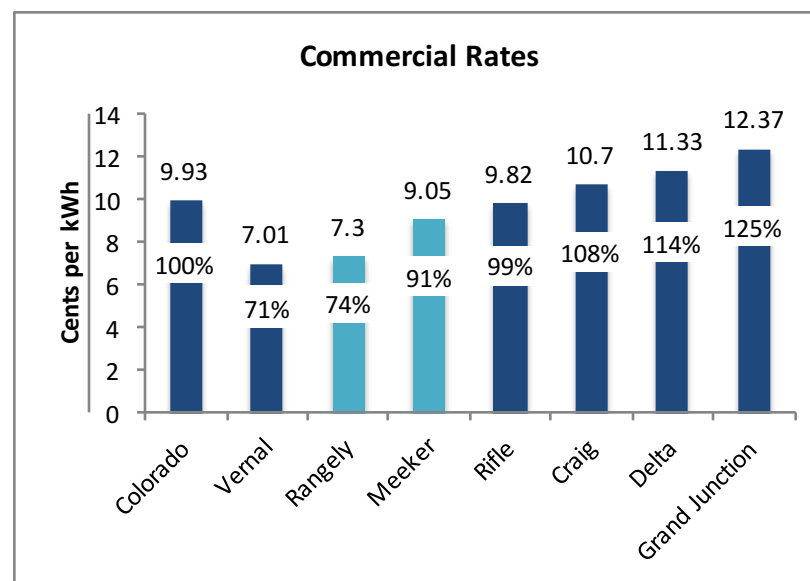
for industrial and commercial customers within each of the comparison cities for the year 2013. The figures take into consideration the actual amount of money that was paid, including demand charges, and therefore may vary from advertised rates.



Source: Energy Information Administration (EIA)

Figure 18: Industrial Electricity Rates, 2013

Figure 18 shows that industrial users in Rangely paid the least amount of any of the comparison cities at 57% of the Colorado State average in 2013, while industrial customers in Meeker paid approximately 71% of the State average. Commercial rates in both communities more closely reflects State averages, but it is still low relative to the comparison cities (see Figure 19). Overall, electricity rates in the County are attractive and if the trend continues, the low cost of electricity has the potential to serve as a competitive advantage.

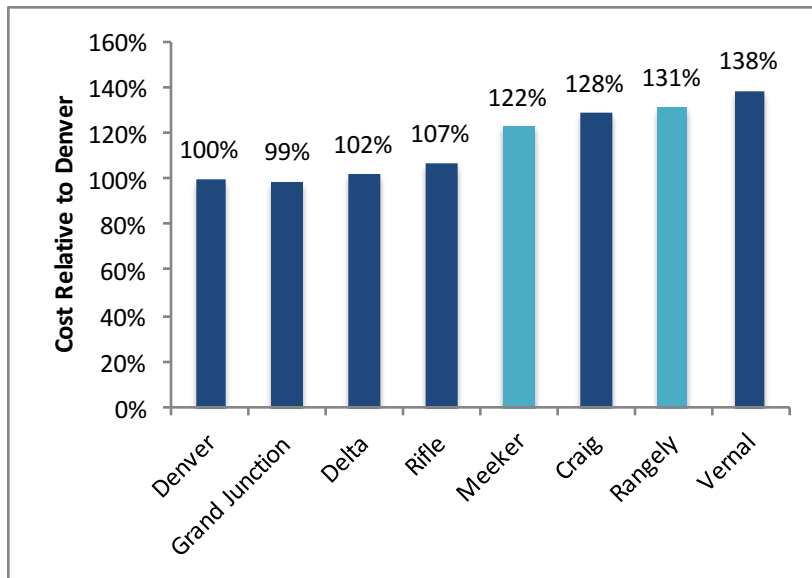


Source: Energy Information Administration (EIA)

Figure 19: Commercial Electricity Rates, 2013

Shipping Costs

As described previously, the County is somewhat isolated from major transportation corridors, which can create a disadvantage for businesses that rely on shipping physical goods into and out of the County. To verify and quantify the potential impact of the isolation, Less-than-full-Truck-Load ("LTL") shipping rates were compared. To conduct the analysis, the cost of shipping various sized packages ranging from 500 to 5,000 lbs. into and out of each comparison city, to and from locations nationwide were used as reference points. The shipping costs were averaged and are shown in Figure 20. The price of shipping into/out of Denver was set at 100% for comparison purposes.



Source: UPS

Figure 20: Shipping Cost Comparison

There is a quantifiable shipping premium placed on businesses operating within Meeker and Rangely of 22% and 31% respectively. The additional cost to County businesses will make it more difficult to compete on price alone on the National market. However, high value products that compete on factors other than price can make up for the shipping premium by delivering a superior product. The addition of rail access to the County would have a tremendous impact and would likely lower the shipping premium for bulk goods by a substantial amount.

Labor Cost

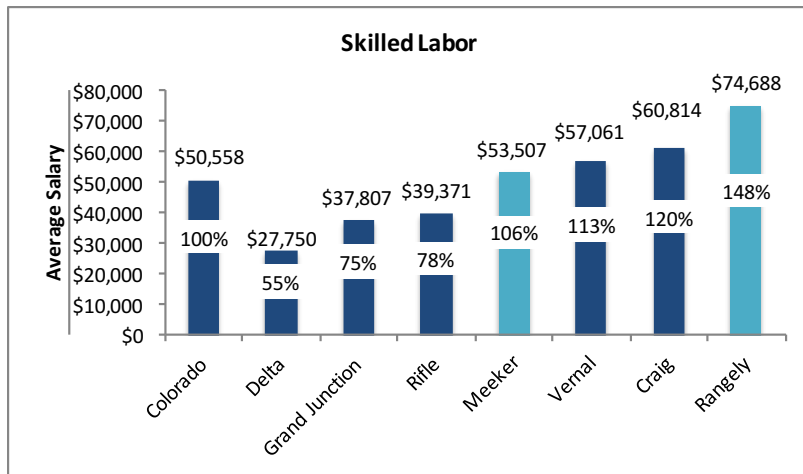
Labor cost can serve as a competitive advantage if the prevailing wage for a specific industry within the County is lower than the prevailing wage for the same industry elsewhere. Having low labor costs isn't always beneficial in the long run because lower

wages result in less disposable income within the County, and serves as a disincentive when trying to attract new employees to locate to the County. As described in Phase II of this report, the goal should be to create primary employment opportunities that are able to pay a livable wage.

Labor costs were broken into three categories: skilled (includes mining/oil and gas, manufacturing and transportation/ warehousing, etc.); unskilled (includes retail, accommodation and food services, etc.); and professional (includes professional and technical services, and finance/insurance, etc.). Information within each of these industries is not available on the individual town/city level from the preferred data source of BEA, and instead wage data was obtained from the 2013 American Community Survey.

Skilled labor in the County is at or near the top of the range for the comparison cities (see Figure 21). The skilled category is lifted upward by the oil/gas and mining industry.

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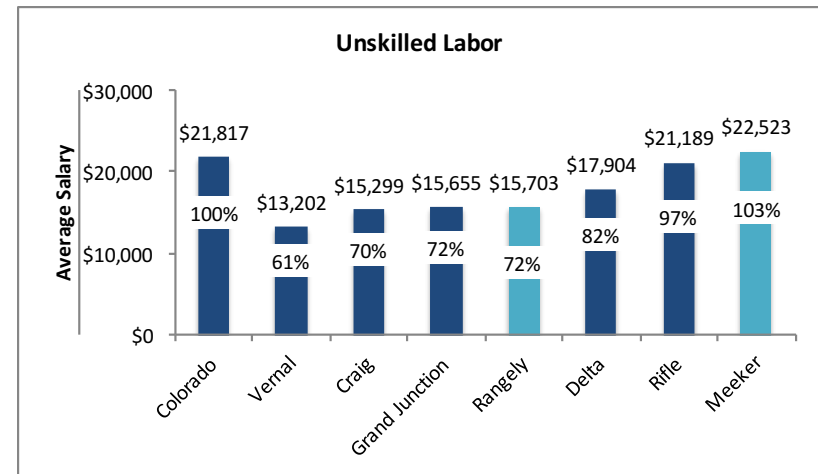


Source: 2013 ACS

Figure 21: Skilled Labor Comparison

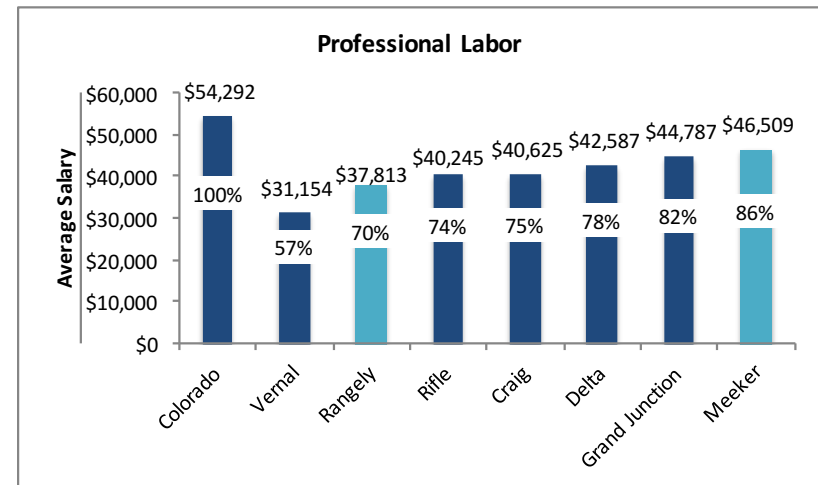
It may be difficult initially to grow the manufacturing industry within the County due to the difference between the salary that many skilled laborers in the County currently expect, and what new manufacturers may be able to pay. However, it is possible that underemployed individuals in the unskilled labor pool would welcome the increase and stability from a job within the manufacturing industry (see Figure 22).

The professional labor category may present the best opportunity for competitive differentiation for the County (see Figure 23). Although Meeker is at the top of the range found within the comparison cities, it is still 14% below the State average. Rangely represents a savings of 30% from the State average. As has been mentioned previously, many location neutral jobs will soon be a possibility due to the County's broadband project, and these professional labor jobs will have the potential to save substantial amounts of money on labor costs by locating to the County vs. other locations in Colorado.



Source: 2013 ACS

Figure 22: Unskilled Labor Comparison



Source: 2013 ACS

Figure 23: Professional Labor Comparison

Sales Tax

Combined state, county, city, and other sales tax rates for general sales are shown in Figure 24. Rangely and Meeker have rates that are competitive with the comparison cities. Although sales tax rates typically have little impact on retail activity, they may provide an advantage for the County in the sale of high cost items such as vehicles, appliances and furniture.

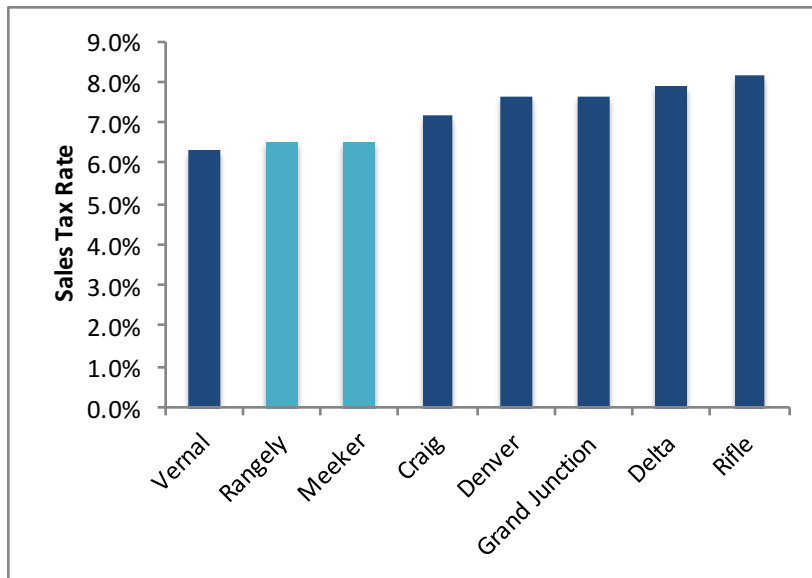
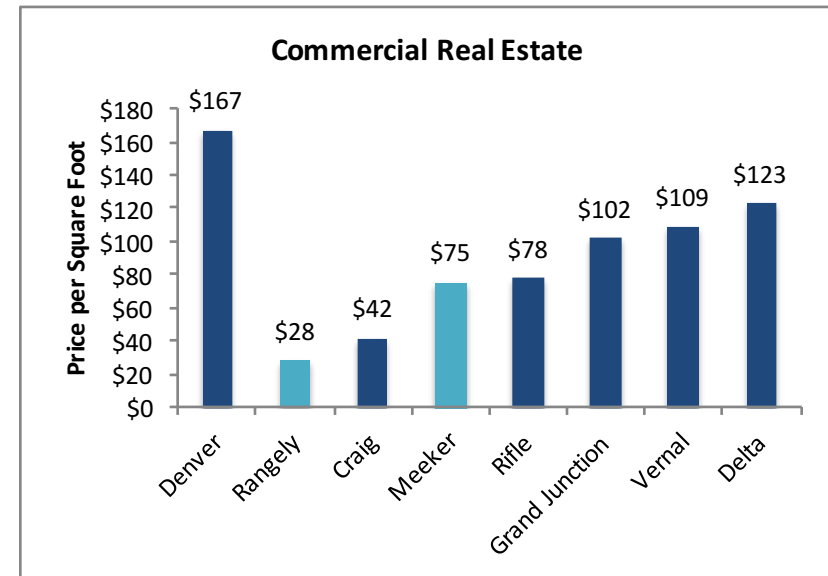


Figure 24: Sales Tax Rates

Real Estate

Real estate cost is a tremendous competitive advantage for the County. Figure 25 shows that the Town of Rangely has the least expensive commercial real estate of the comparison cities, and Meeker has the third lowest. Location neutral businesses that are seeking relief from Front Range prices will find tremendous opportunities within the County. However, selection of properties

with existing commercial buildings is somewhat limited in Meeker, and more especially in Rangely. The communities should consider incentives to help potential businesses locate and build new commercial space.



Source: Raven Realty, loopnet.com

Figure 25: Commercial Real Estate Prices

AREAS FOR FUTURE ECONOMIC DEVELOPMENT

The broad categories of economic development that have the potential to induce the greatest economic change within the County include location neutral business, aviation, niche manufacturing, and tourism. The merits and potential impacts of each of these areas will be explored below.

LOCATION NEUTRAL BUSINESSES

As described previously, location neutral businesses can operate anywhere in the world, as long as they have a strong and reliable Internet connection. Specific examples include jobs such as software developers, publishers, data scientists, financial professionals, fund managers, consultants, engineers, and more. They typically pay salaries in the \$60,000-80,000 range, but can often extend to six figures and beyond. The impact of these jobs reaches beyond the number of jobs itself, as these high-tech industries typically have a strong multiplier effect. For example, the Phase I report describes that for every job that is created within the high-tech industry, another five jobs are created within the local economy¹. The 5x multiplier is the highest of any of the reported industries, and the jobs created through the multiplier effect show up in various industries ranging from healthcare and professional services to construction and retail. Additionally, wages across multiple sectors were found to increase with the addition of high-tech jobs due to an increase in disposable incomes. Unrelated industries such as construction, saw an increase in compensation as individuals' willingness and ability to pay increased throughout the local economy.

Many local factors have an influence on the actual multiplier effect for any particular industry. The reported multiplier for high-tech jobs may not be attainable in rural locations such as Meeker and Rangely, however it is still expected to have a significant impact.

As an example, if ten new location neutral high-tech jobs were added to the local economy, and even if the multiplier within the

¹ *The New Geography of Jobs*. Enrico Moretti.

County ends up being only half of the reported value (2.5x instead of 5x), the new jobs would result in an additional \$1.5M in local wages, not including proprietor income (see Table 2). The table assumes that the new high-tech jobs will pay average salaries of \$70,000 per year, and secondary jobs will pay \$35,000 per year. The \$35,000 a year salary is a conservative estimate. Secondary jobs within the accommodation and food industry may pay less, but new construction and professional support services will pay considerably more.

New Jobs	10
Average Salary	\$ 70,000
Economic Impact of Primary Jobs	\$ 700,000
Multiplier	2.5
Indirect Jobs Added	25
Average Salary of Indirect Jobs	\$35,000
Economic Impact of Indirect Jobs	\$875,000
Total Job Creation	35
New Local Wages	\$ 1,575,000

Table 2: Impact of High-Tech Job Growth

AVIATION

The Town of Rangely sits in a unique position as a community that is transitioning away from reliance upon the oil and gas/extractive industries. Many other communities in similar situations in the past have leveraged existing and unique natural resources and have turned to tourism. Examples include Moab, Utah, Park City, Utah, and Durango, Colorado. Rangely is unique in that it has a successful institution of higher education nearby, and an airport that can be leveraged along with outdoor recreation to replace the reliance upon the oil industry.

Expansion and growth within the broad area of aviation has the potential for significant impacts for the Town of Rangely. As has been described previously, if international students are recruited, the potential impacts increase because international students will shop at local stores and restaurants and will participate more heavily with the local economy than CNCC's typical student.

For example, if twenty-five additional international students were recruited to participate in the Aviation Flight Program at CNCC, they would add at least an additional \$1M to the local economy on an annual basis (see Table 3).

Participants in the Aviation Flight Program at CNCC are currently required to schedule at least four hours of flight training per week, and the flight training expense is in addition to the tuition and fees that are paid to attend the school. Flight training expenses will vary depending on the type of aircraft required (single engine, multi-engine, etc.), but on average is estimated at \$200 per hour. Under this scenario, the twenty-five international flight students will pay an additional \$460,000 per year. The majority of the flight training money will remain in the local economy as it is designed to cover the cost of fuel, aircraft maintenance, and the instructors' time.

The students will also spend approximately \$200,000 for housing and food (\$1,000 per student for at least eight months), and an additional \$100,000 for miscellaneous spending and entertainment (\$500 per month for at least eight months). If the international students pay current out of state tuition rates, it will amount to just over \$300,000 in additional tuition for CNCC, but it is possible that the school would create an international student tier of tuition that would charge even more.

Number of Students	25
Flight Hours Required per Student	92
Estimated Cost per Hour	\$ 200
Annual Flight Training Cost	\$ 460,000
Annual Housing/Food	\$ 200,000
Annual Misc. Spending	\$ 100,000
Annual Tuition	\$ 302,200
Total	\$ 1,062,200
Contribution per Student	\$ 42,488

Table 3: Impact of International Aviation Students

Depending on which County of origin is chosen for the international focus, an English-as-a-Second-Language (ESL) program may also be required. An ESL program would create additional economic benefit as it would require additional faculty and staff at CNCC, and may add an additional year of schooling for foreign students.

The impact of the MRO program will depend heavily upon the number of customers that can be recruited to have their maintenance and overhaul work done in Rangely vs. other locations. Aviation maintenance work is very expensive, and it is common for an engine overhaul to cost \$60,000 or more depending on the type of aircraft. Maintenance and overhaul work for aircraft is required on a very rigid schedule, vs. vehicle maintenance that is often delayed and deferred as long as possible. The potential impact from the MRO program will be maximized if investment is also made in outdoor recreation opportunities. Some repair work takes several days to complete, and Rangely would be a more compelling choice to have repair work done if there were unique activities for pilots and their families to do in and around Town while their airplane was being worked on. Conservative

estimates of the potential impact of the MRO program are highlighted in Table 4. Table 4 assumes that the pilot is coming in by himself/herself and one other individual. The impact will increase significantly if pilots choose to bring their entire families to stay and play for a few days.

Full-Time Employees (FTEs)		5
Average Salary	\$	50,000
New Local Wages	\$	250,000
Number of Planes per Year		150
Average Stay (Hotel Nights)		2
Hotel Revenue @ \$80/night	\$	24,000
Food and Dining	\$	13,500
Total	\$	287,500

Table 4: Potential Impact of MRO

As the flight and MRO programs grow and expand, it may come to a point that the airport in Rangely will need repairs and/or expansion to support the growth. Airport investment is one of the most highly leveraged activities that a community can engage in. For example, the FAA will cover up to 90% of the airport expansion/repair costs in rural communities, and up to 95% if the rural community is economically distressed. The local government only needs to come up with the remaining 5-10%, and typically a portion of the remaining amount can be covered through State investment. As a result, small communities can gain access to significant amounts of money to reinvest in the future capabilities of an airport with minimal local investment. Improved airport facilities will help ensure the long-term sustainability of the flight and MRO programs, and may help attract future tourism and economic development activity.

NICHE MANUFACTURING

Niche manufacturing has a small, but stable foothold within the County, and particularly in Meeker with the successful bowstring manufacturers. As has been described previously, the logistical challenges imposed by the rural and isolated location may prohibit bulk manufacturing from expanding, but niche manufacturing of small and specialized parts may create opportunities for employees that are transitioning out of the oil and gas industry, but still want to live and work in the County.

New manufacturing businesses will have the best chance to succeed if they gain a competitive advantage by choosing to locate within the County. Previous examples mentioned include shooting sports equipment, products that use sodium bicarbonate as a key ingredient, and high-end meat products. The current prevailing wage for manufacturing jobs within the County suggests that new manufacturing positions may only pay salaries in the range of \$30,000-35,000 initially, which is below the County's livable wage for a family with a single-income. By focusing on recruiting manufacturers that specialize in high-value and premium products, the average salary may be able to increase to the \$42,000 range, which crosses the living wage threshold. The economic impact, including the multiplier effect, of adding fifteen new manufacturing jobs is shown in Table 5².

² Multiplier effect for manufacturing jobs obtained from *The New Geography of Jobs* by Enrico Moretti.

New Manufacturing Jobs	15
Multiplier Effect	1.6
Total New Job Growth	24
Average Salary	\$ 35,000
New Local Wages	\$ 840,000

Table 5: Economic Impact of Manufacturing Jobs

TOURISM

Tourism is a crucial component of the overall economic development effort. However, its direct economic impact on the County in terms of job and wealth creation will likely be limited compared to the opportunities that will result indirectly from investment. Outdoor recreation and tourism activities are an important component in creating a community and environment that is lively, livable, and attractive to current and future residents. Location neutral businesses will only come if the community has a unique story or “brand” that offers a desirable experience that exceeds the competition.

Another important benefit of investment in tourism is the ability to leverage outsiders’ money in creating community assets. As detailed in the market size section of this report, the local market is too small to support many retailers and other entertainment venues that the County residents desire to have. In some instances, the Towns may be able to gain access to these venues by building them to cater to tourists. Financing can be provided through transient room tax, and other tourist focused taxes that will relieve a portion of the burden from the local population. The creation of these facilities will contribute to the community’s brand, and will help overcome some of the current challenges in convincing employees and their spouses/children to live within the County. The overall goal should be to create the environment

that is attractive and helps facilitate the future growth of all other industries.

One of the primary goals initially of investment in tourism should be to stabilize the existing infrastructure. Both Rangely and Meeker have old hotel properties, but they also have relatively new infrastructure that is well designed and should be suitable for many years to come. However, if hotel nights don’t increase substantially, the hotel operators will find themselves in a position where they can’t afford to invest in their properties, and they will eventually fall into a state of disrepair that won’t be attractive to tourists.

CONCLUSION

The County has unique competitive advantages that can be leveraged to support potential emerging clusters in an effort to diversify the local economy and decrease the dependence upon the oil and gas industry. A concerted effort on each of the four broad economic development areas identified herein will create a balanced economic development approach that will allow the County to position itself as an ideal location for families and businesses.

APPENDIX A

Industry	State Shift	Industry Mix	Regional Shift	Total Job Change
Construction	27	29	-10	46
Administrative and waste services	23	5	-15	13
Health care and social assistance	36	5	-29	12
Educational services	34	-18	-5	11
Real estate and rental and leasing	1	0	10	11
Arts, entertainment, and recreation	13	-3	0	10
Information	2	-2	9	9
Other non-govt. services	6	-1	4	9
Professional and technical services	6	2	-8	0
Utilities	7	-7	0	0
Wholesale trade	0	0	0	0
Retail trade	26	-10	-17	-2
Finance and insurance	7	-5	-6	-3
Public administration	56	37	-100	-7
Agriculture, forestry, fishing and hunting	5	-1	-13	-9
Transportation and warehousing	12	2	-30	-16
Manufacturing	7	-2	-34	-29
Accommodation and food services	32	6	-74	-36
Mining, quarrying, and oil and gas extraction	102	217	-481	-162

Table 6: Shift Share Analysis Summary Table



Rio Blanco County Economic Development Strategy

Phase IV – Recommended Action Plan

Prepared by: Better City

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EXECUTIVE SUMMARY

The fourth and final phase of the County's Economic Development Strategy Plan brings together the elements explored in each of the three preceding phases, namely the community assessment, the economic assessment and the market analysis. While initial concepts and potential strategies were presented within the phase I report, subsequent analysis and research has refined, enhanced, and focused the concepts into a shorter list of recommended projects and strategies. Some of the concepts presented in phase I are not addressed in phase IV, but that doesn't necessarily mean that the concepts are invalid and should not be pursued. Rather, many of the concepts presented initially are still expected to occur, but it is anticipated that they will occur as a result of the strategies outlined in this document. The final recommendations should be viewed as the catalytic projects that will change the dynamics of the economic climate to allow the other projects and concepts to move forward.

RECOMMENDATIONS AND PRIORITIZATION

Rangely

The core of the strategy in Rangely is to stabilize and strengthen existing businesses while creating the opportunity for new businesses to come into town. This will best be accomplished through a combination of the creation of new quality of life assets and strengthening major employers, such as CNCC. A mixed-use development near the downtown that includes student housing, retail, and entertainment elements such as a bowling alley will set the Town on a new trajectory with renewed relevance for the rising generation. Specifically, the increased student housing will allow CNCC to expand existing programs, and co-

location with retail and entertainment venues will provide stability due to a captive clientele.

With the additional student housing capacity, CNCC will be able to expand its flight program and recruit international students. There is a strong precedence of foreign students receiving pilot training within the US, and CNCC will be able to follow the best practices learned from other programs.

As the aviation cluster grows in Rangely, it will be a compelling location for an aircraft Maintenance, Repair, and Overhaul (MRO) facility.

Outdoor recreation, with a particular focus on river recreation near the Camper Park, has the potential to strengthen every other aspect of the economic development strategy as it adds a quality of life asset that will be important in recruiting students, businesses, and future employees.

The final recommendation for Rangely is to explore the feasibility of a data center. A data center would be an important step in creating a technology and innovation focused micro cluster. Local education programs would be able to help support the center through providing training and education for future employees.

Meeker

The core of the strategy in Meeker is a new state of the art training facility that will establish Meeker as "the place" to come and learn how to hunt and fish. The training facility will include training for multiple disciplines including firearms, archery, and fly fishing. The training center leverages the community's unique culture and history, and will make the town a sought after destination for competitions, events, conferences. The location is also expected to be a popular destination for individuals and families that want to learn to enjoy the outdoors together.

The center will create a unique story and a venue that will be crucial in attracting additional primary jobs within the shooting sports cluster. The project will also create momentum in the downtown region that can be leveraged to attract additional retail and housing developments.

ACTION STEPS

Action steps for each of the recommendations are detailed within the report. The action steps are organized in a manner that allows for the early discovery of potential problems to enable public and private partners to take calculated risks in bringing the projects to fruition. Tax incentives, such as Tax Increment Financing are described in detail, including how they can be leveraged to attract development that would otherwise end up in larger cities.

BRANDING CONCEPTS

Preliminary branding concepts are explored for the Town of Rangely and Meeker. Each Town is unique in its assets, needs, and strategies, and concepts appropriate to each are highlighted. The brand will in large part grow naturally from the recommended strategies as the projects in themselves will create a positive image that will reflect and brand the communities.

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RECOMMENDED PROJECTS AND PRIORITIZATION

The Phase I section of this report identified a number of potential projects and initiatives that have the potential of improving the local economic status quo, and creating the upward momentum that will benefit future generations. The analysis and research conducted during Phase II and Phase III provided additional insights that had the effect of refining the recommendations. Several recommendations within each town emerged as having the greatest potential to act as a catalyst to enable future economic development activities, including the additional opportunities outlined in Phase I. The top priorities in each town will be described in detail below, and will include a discussion regarding how each project complements the overall strategy.

RANGELY

Mixed-Use Student Housing Project

CNCC faces an immediate housing shortage as their current facilities are filled to capacity. New student housing will be needed before, or at least concurrent with the school's efforts to expand existing programs or to create new ones. Partnering with the private sector to build, maintain, and operate the new housing facility will free up CNCC resources for use on programs that would have otherwise been expended on housing facilities. Universities and institutions of higher education across the county have found great success using this partnership approach to build capacity. Another option would involve CNCC partnering with the private sector in a new housing project if this were viewed as a profit center of the college.

The new student housing can be leveraged to support and stabilize additional development that would otherwise not be viable

on its own. Examples of additional amenities that can be paired within a mixed-use development may include grocery or retail offerings, a restaurant, and entertainment/recreation elements such as bowling lanes. The retail and recreation operators will benefit from having patrons located within the development, and the students will benefit from having prime access to shopping and entertainment. It is important to note that all of the retail and entertainment offerings will be available to the general public, and not just the residents of the housing facility.

An example of this type of development, minus the student housing, can be found in the small town of Blanding, Utah. A creative business owner has developed a unique facility which includes a gas station and convenience store, paired with a fast-food restaurant and a bowling alley. An independent bowling alley would not be viable in such a small community, but when paired with a retail center, the combined operations can share overhead expenses and employees and collectively operate with a profitable margin. Although the proposed housing, retail, and entertainment project in Rangely would likely look different and would include different features from the one in Blanding, Rangely can follow the example of Blanding to gain access to a bowling alley or other entertainment venue by investing in a multi-use facility. If done correctly with sufficient investment and the right operator, the new retail and entertainment facility may be able to help shift the paradigm of residents traveling 60+ minutes for recreation and to shop for groceries and other necessities, and instead spend more of those dollars within the local community.

There are several potential locations for the described housing/retail project, including a Town-owned development located just north of the existing campus. While this location has many advantages, not least of which is proximity to campus, construction at this location is not ideal in that it won't provide direct

For example, downtown businesses would benefit from additional student housing development in the downtown area, particularly if the development included amenities such as a restaurant and bowling alley that would create vibrancy and increase foot traffic. Therefore, other potential project locations were analyzed in terms of their potential to meet the needs of future students, and maximize the benefit to existing local businesses.

Although the proposed site is not in the central part of the existing downtown, it is near existing Main Street businesses such as Giovani's Restaurant. It is expected that the path of development stemming from the new project will proceed westward toward downtown, thereby providing benefit to additional small businesses.

Two potential site layouts are shown in Map 2 and Map 3. Both layouts include Town-owned parcel #139301201006, which is located near the entrance to the camper park. The Town-owned parcel by itself is not large enough to support a new horizontal mixed-use housing development. However, there is additional land available directly west that is currently for sale. The listing includes existing buildings which are unnecessary for the project. However, there may be the potential to acquire the vacant land without the existing buildings which would provide a cost savings for the overall project by avoiding additional demolition costs. The vacant land north of Main Street, but south of Camper Park is privately owned, but the owner has expressed a willingness to sell.



Map 2: Site Layout Option #1

Potential layout option #1 has roughly a T-shape which begins along Main Street, then widens along the southern border of the Camper Park (see Map 2). Layout Option #1 may require modifying a portion of the rock/water feature near the entrance to the Camper Park. However, it is possible that the water feature could be incorporated into the project.

Site layout option #2 utilizes the same Main Street frontage as option #1, but extends farther north instead of expanding east and west (see Map 3). Option #2 would require reallocation of some of the land that is currently being used as part of the Camper Park. There are portions of the Town-owned property on the outlying regions of the Camper Park that are currently undeveloped, which could be developed to make up for the small amount of acreage that would utilized for the proposed project.



Map 3: Site Layout Option #2

Other layout configurations are possible, but these two were chosen because they minimize both the disruption to existing infrastructure as well as estimated land acquisition and preparation costs. In both layout options, the most logical location for the gas station and retail/entertainment venue is along Main Street, with student housing wrapping to the north. Both site configurations will allow for future expansion of the student housing portion of the project by placing additional units on vacant land to the north/west of the initial project site.

As highlighted in phases 1-3 of the economic development strategy plan, the local market is small in size and is currently distressed from the downturn in the oil and gas industry. These two factors combined make it unlikely that new retail or entertainment development will occur on its own in the near future. However, when paired with student housing, the combined project will be able to generate steady revenue and will be of sufficient size to warrant tax incentives such as Tax-Increment Financing (TIF).

A strategy involving TIF will require the use of an Urban Renewal Area (URA), which the Town has already established to facilitate redevelopment along Main Street. The URA in Rangely is also referred to as the Rangely Redevelopment Agency (RDA), and its current boundaries and existing term may not be sufficient to support the new project. A thorough review of the current URA will be required. More detail regarding TIF, the URA and the RDA will be provided in the action plan section of this report.

A potential operator with extensive experience operating similar developments throughout the region has been approached and expressed preliminary interest in participating with the proposed project. The potential operator confirmed that a public-private partnership would be required to make the project work.

Additional details regarding the structure of a public-private partnership will be described in the action plan section of this report.

Flight School

After the thorough analysis performed in phases II and III, expansion of the flight school, particularly with an emphasis on international students, remains one of the most potentially impactful endeavors the community can pursue. Boeing and other major aviation companies are projecting global pilot shortages for at least the next twenty years, clearly demonstrating that the expanded aviation program will not fizzle out as a fad like other potential programs. Expansion of the flight program will likely only be possible if student housing capacity is increased, which is why the student housing project is being recommended as the top priority.

Expansion of the program should be viewed as a long-term strategic investment for both CNCC and the community. As CNCC grows and thrives, the Town of Rangely will follow. Please see the phase I and III reports for additional details regarding the merits, structure, and potential financial impacts of the expanded international flight program at CNCC. Since the initial analysis, follow-up conversations have been held with Town and CNCC leadership, and both parties have expressed a willingness to engage in an effort to further explore the potential opportunity. Specific implementation steps and action items will be detailed in the action plan section of this report.

Aircraft MRO

The aircraft MRO opportunity described in the Phase I report also remains a significant opportunity to create employment opportunities and economic activity within the community. As de-

scribed previously, most maintenance procedures take a minimum of several hours, and sometimes several days. During the interim while the pilot is waiting for work to be completed, the Town will have the opportunity to open its doors to attract additional spending through hospitality and food services, entertainment and recreation. The retail and entertainment development described previously will be an important element in attracting spending from outside visitors.

The aircraft MRO opportunity will likely have the greatest chance of success if it is pursued concurrently with the expanded flight program. The success and notoriety of each program will help to validate the other through the growth of a strong aviation related micro cluster.

Outdoor Recreation

Outdoor recreation has been, and will continue to be important to current and future residents of the Town. As such, the Town should continue moving forward with its efforts to build capacity and offerings. Particular focus should be placed on development of the White River. The White River will need improved access such as ingress and egress points to allow the new retail and entertainment development to achieve its full potential. If done in conjunction with the student housing project, the area of Town near the Camper Park can become a great recruiting tool for new students. It will also make for a more compelling reason for pilots to choose Rangely as a destination to have maintenance and repair work done on their aircraft if they can enjoy some relaxing time on the river while they are waiting. In essence, investment on improving outdoor recreation will enhance economic development efforts in every other category.

Data Center

A data center could take advantage of the area's low electricity and relatively low temperatures (especially during the winter months), which warrants a targeted look into the feasibility of a center.

It is important to note, however, that a data center will be a challenging proposition initially because any potential operator will likely have to recruit all of its workforce from other regions due to the current mismatch of the skillset required, vs. the skillset of the local workforce. However, Rangely is in a good position to "grow" future data center employees due to the strength of CNCC and the potential of adding new education and training programs focused toward high-tech jobs. A data center would be an important step in creating a micro cluster that is focused on the high-tech sector of the economy.

MEEKER

At the core of the strategy in Meeker is the necessity to create an environment that is attractive to future business owners, their prospective employees, and their spouses. As the quality of life offerings within the community increase, businesses will be more likely to choose to locate to the community, and will find it much easier to recruit and attract the workforce necessary to carry out their operations. Quality of life for the rising generation relies heavily upon recreation, and therefore increasing recreational offerings will have a large impact on the attractiveness of a community. This is one of the major reasons that small resort communities, like Steamboat Springs, have been effective in recruiting location neutral businesses.

The local population in Meeker is not sufficient to support a catalytic and game-changing project like the one that will be necessary to cast a new vision for the future. However, a large catalytic project is still possible, but will require attracting tourists and outside visitors to frequent the facility in addition to the usage by the local population. The remote location of the Town presents a challenge in attracting tourists because it will have to draw them past other significant and well established resort communities such as Glenwood Springs and Steamboat Springs.

A thorough analysis was conducted to explore different types of venues and recreation activities that would fit the requirements described in the paragraph above. Included in the analysis were several concepts gathered from the community during public meetings such as a zip-line course, alpine slides, a gondola, ridge-top restaurants, and many others. These are all excellent tourist attractions, as evidenced by their presence in almost every resort community throughout Colorado. Amenity offerings at five nearby Colorado resort communities were analyzed, and yielded an incredibly tight competitive landscape with few opportunities for a new community without an established tourist reputation to position itself as a unique destination for tourists (see *Source: Company websites*

Table 1). The competing communities benefit from closer proximity to a large population base, closer access to a main thoroughfare, and topographical advantages such as alpine forest within minutes of downtown and vertical elevation changes of several thousand feet.

	Steamboat Springs	Glenwood Springs	Vail	Breckenridge	Winter Park
Alpine Slides/ Dry Slides	x	x	x	x	x
Zip Lines	x	x	x	x	
Paragliding	x	x	x		
River Activities	x	x	x		
Ski Resort	x	x	x	x	x
Hot Springs	x	x			
Gondola	x	x	x	x	x
Ropes Course		x	x	x	
Ridgetop Theme Park		x			

Source: Company websites

Table 1: Resort Community Comparison

In particular, Glenwood Springs and Steamboat Springs are well established tourism destinations that draw a significant number of visitors from the Denver MSA. A strategy that is centered around recreation offerings that are also offered by these established resort communities will struggle to gain traction, because a large percentage of potential visitors will have to drive past an existing tourist destination to arrive in Meeker.

The competitive landscape and the subsequent lack of obvious gaps in visitor-focused amenities does not automatically suggest that all is lost, it just signals that the community will have to utilize a different approach to attract tourists. For example, the County, and particularly Meeker, has been very successful in attracting tourists for hunting and fishing activities. One strategy of attracting tourism is to build on the momentum that already exists. In this regard, the following strategies and recommendations are based on how to build on existing assets to create new opportunities for tourism and economic activity.

[Downtown Redevelopment Project](#)

The Phase I report identified a potential for new downtown redevelopment to create a destination attraction along

Highway 13, and to create walkable corridors between downtown and the White River. Further analysis has suggested that the redevelopment efforts can be accomplished by taking a mixed-use development approach, similar in concept to what has been described for the Town of Rangely. The potential exists to develop a venue that leverages the community's strong hunting and fishing reputation and provides recreation and entertainment opportunities for local residents and visitors.

The central vision for the new venue will be to create a destination that becomes known as "The Place" within the region, and potentially the Country, for learning how to hunt and fly-fish. The community is already well known as a destination to engage in these activities, but the educational aspect is an opportunity that has not yet been exploited. The envisioned facility will be multi-disciplined, in that it will have areas focused toward firearms, archery, and fly-fishing all within the same complex. What will make the facility unique is its proximity to world-class hunting and fishing opportunities where participants can go practice newly acquired or improved skills in a real-world environment. The venue also has the potential to differentiate itself by use of the latest state-of-the-art education and training components.

For example, the key component of the facility will be a proposed 50 or 75-yard indoor video cinema training range. The video cinema training range comprises a fully enclosed indoor shooting range capable of safely handling up to .50 caliber ammunition. Rather than a traditional range with paper or plastic targets, the video cinema training range would feature a large paper screen at the far end of the range, with high resolution projectors that project actual, or simulated footage of a variety of different hunting scenarios. The participant is able to utilize their own firearm with their own scope, to practice long-range shots at realistic targets. Participants can practice finding their target, getting set-

up for the shot, and squeezing off a round using the same setup that they will be using in the actual field.

The system utilizes high-speed cameras to detect the bullet placement in relation to the projected target, and creates a real-time report that allows the participant to know exactly where their shot would have hit a real target. The report shows the pathway of the bullet in relation to vital organs to help the participant refine their skill.

The system is particularly effective in recreating the challenge of difficult shots where the target is moving at long range. Participants get realistic practice leading their target based on distance and target velocity. The real-time feedback is invaluable in a sport where timing and precision separate a successful hunt from an unsuccessful one.

A facility like the one described will be the first of its kind in the United States, and the second in the World with the only other facility currently located in Germany (see Figure 1 and Figure 2).



Source: MÜLLER SCHIESSZENTRUM ULM, <http://www.mszu.de/en/>

Figure 1: 25-Meter Video Cinema Range



Source: Kat Hannaford, Gizmodo.

Figure 2: 100-Meter Video Cinema Range

The same technology can also be used for archery, where participants can use their own bow and arrows and can get real-time feedback of their shot placement at long range.

Rounding out the facility can be a variety of training rooms including classrooms, 3D archery targets, and laser assisted virtual hunting training rooms. These rooms use similar technology as the video shooting cinema described previously, but a laser is used instead of a live round. Participants can still utilize their own firearm including rifles and handguns, and simply requires placing an infrared laser insert into the muzzle along with a trigger sensor. The laser training system projects high resolution hunting scenarios with realistic targets onto a screen, and uses cameras to detect shot placement relative to the target. Because infrared lasers are used, the participant cannot see the laser on the screen (which would otherwise be distracting), but it can be detected by the cameras. The latest virtual training systems are very robust, and can provide realistic practice with a variety of hunting scenarios ranging from big game, to birds, to clay pi-

geons. The laser systems are unique in that they can track muzzle movement before, during, and after the shot. Muzzle movement tracking provides another level of feedback that can help hunters improve their technique and skill.

It is important to distinguish between the types of laser training systems required for this facility, vs. those that are commonly found in a Cabela's store, or other strictly entertainment venues. Those systems are often gimmicky and are designed so that an individual without any training or experience can walk up and have fun for a few minutes while knocking down targets. Although they tout realism, users will often find that the realism fades quickly as the focus becomes squeezing the trigger as quickly as possible. The systems employed by the new facility in Meeker will be high quality systems, with a focus on a realistic approach with help from an instructor. The systems envisioned for the facility have been designed and used by professionals in competitive shooting, and have been used by Olympians, and Olympic teams for training (see Figure 3).



Source: SimWay Company Blog

Figure 3: SimWay Laser Training System

The laser systems can be implemented in any sized room, and do not require the secure enclosure required for live rounds. Consequently, this creates the opportunity for a unique multi-use facility for additional community uses, such as a movie theater. For example, large, movie theater sized rooms can be designed with a platform/landing at the ideal height and distance for hunting practice, but during other times of the day the room can be used to show movies. The large screens will be unique and will assist in attracting outside visitors, but due to their multi-use capabilities will provide a much needed entertainment venue for local residents.

As described previously, a portion of the center will also be dedicated to anglers, and particularly those interested in fly-fishing. The fly-fishing portion of the building can have instruction rooms where participants can learn to tie flies, how to setup a pole, and a practice area for casting. Proximity to the White River will be unique in that someone can come to Meeker with no fly-fishing experience, and learn and then fish on a Blue-Ribbon river all within a single afternoon. More advanced, and high profile anglers can be trained and directed up river to the exclusive fly-fishing areas.

An important aspect of the training facility will be personnel. In order to attract sophisticated hunters and outdoorsmen from across the region for years to come, the facility will need to resist the pull to become a “glorified arcade” and will need to remain focused on the education and training aspects of hunting and fishing. This can be accomplished by recruiting instructors and professionals that are dedicated to the sport, and that are committed to ensuring the highest quality of instruction. A percentage of the local workforce is already dedicated to hunting and fishing, and it is likely that the necessary labor can be provided by individuals that are currently living in Meeker, or by individu-

als who would be grateful for the opportunity to return to Meeker and work in a field they are passionate about.

It is anticipated that the facility will become a popular attraction for individual hunters looking to improve their skills, but it also has the potential to appeal to hunting organizations, fly-fishing competitions, families, youth groups, and competitive leagues.

Outdoor Competitions and Events

With the completion of the downtown project described above, the Town will have a unique asset that will contribute to the appeal of Meeker as a compelling destination for outdoor sports competitions, festivals, rendezvous, and conferences. These should be planned and scheduled strategically to generate tourism during times of the year that are historically slow. These additional events will be complimentary to the hunting season and events such as the Meeker Sheep Dog Trials. It is expected that the new events and competitions will be carried out in such a way as to remain consistent with the unique culture and heritage of the community.

The variety of activities and the different skill levels that the facility will cater to will provide a broad appeal that is expected to capture the attention of national outdoor organizations such as Field and Stream, Outdoor Life Magazine, and the NRA. The publicity from these media outlets will encourage visitors from neighboring states.

Other facilities have demonstrated the willingness of outdoor and firearm enthusiasts to travel great distances for training. For example, the Front Sight Firearms Training Institute in Pahrump, Nevada attracts clientele from a radius of more than a six-hour

drive away¹. The facility is massive, and is well known for its tactical and self-defense training courses.

The Easton Foundations Archery Center in Salt Lake City is another example of how a training facility can attract attention for individual users and teams from across the region (see Figure 4). The center in Salt Lake City is focused entirely on archery, but it draws in users throughout the region, hosts international archery teams, and has become a popular location for competitions. The focus and the capabilities of the facility in Meeker are also expected to have the ability to attract clientele from the Front Range, the Wasatch Front and beyond.

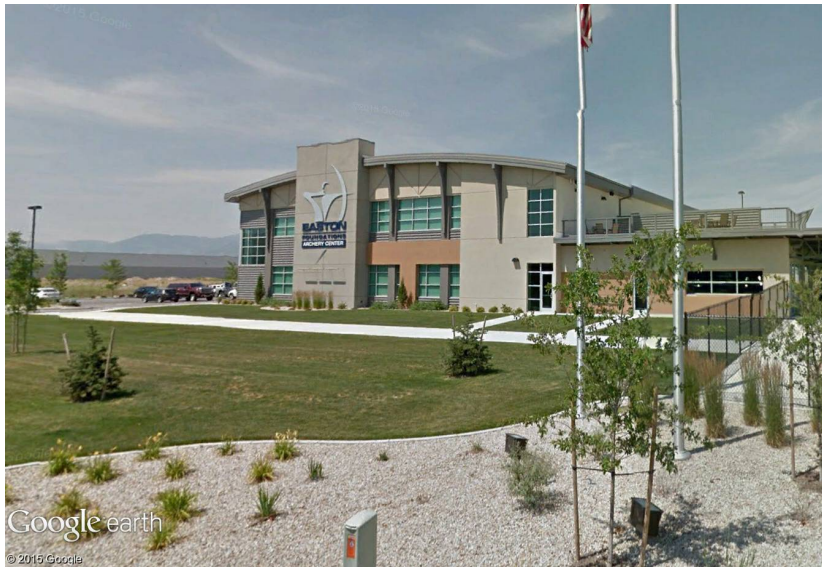


Figure 4: Easton Foundations Archery Center - Salt Lake City, Utah

¹ Reported in an interview with a Front Sight Training participant.

The new downtown facility will be complimentary to the Meeker Sportsman's Club, and the outdoor shooting facility located several miles outside of Town. The outdoor facility will continue to have a role, particularly because it houses a 700-yard shooting range. The range is one of the longest in the region, and provides an experience that cannot be replicated with an indoor facility. In that regard, the two facilities will meet the needs of different groups, although the existing outdoor facility will likely see an increase in traffic and interest as a result of the new facility.

The large catalytic project will provide opportunities for adjacent development, and may include a restaurant/pub, outdoor focused retail, and rental equipment shops that offer fishing or recreation gear that can be used on the White River.

Hunting and fishing within the State of Colorado alone is a billion dollar industry that has shown stable trends over recent years². With more than 13 million hunters in the Country, and over 33 million anglers, Meeker has a large audience to which it can market its unique offerings.

Project Location

One possible location for the proposed project is on the south block of Market Street, between 5th and 6th Streets. The block is approximately 2.5 acres, and should be able to accommodate all of the core uses described, including a 75-yard video cinema range (see Map 4). While some residents may express concerns regarding the placement of a live-round shooting range within the downtown core, it is expected that all of these concerns can be appropriately and adequately addressed. For example, modern shooting range design is such that there is zero risk of a bul-

² 2011 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation.

let accidentally leaving the facility. Noise is a concern commonly raised by citizens, but with modern design principles and technologies, the noise heard from outside the facility can be kept to an acceptable level, even for downtown environments.



Map 4: Downtown Redevelopment Concept

A second option is to place the project on the land south of Market Street, and on the west side of 3rd Street (highlighted in red on the map). The site is approximately 3 acres, most of which is Town owned. Utilizing the Town-owned property would allow for a longer shooting range, and would potentially avoid some of the land acquisition challenges that may be faced when trying to assemble all of the required properties between 5th and 6th Streets.

The retail and other commercial uses described may not fit within the same block as the main project, but will easily be accommodated within the yellow region shown in Map 4. The addition-

al commercial development combined with the main project will help create a visual corridor that will help pull people off the highway.

The increase in vehicle and foot traffic from the outdoor sports training facility may cause some concern regarding the safety of the intersections of 5th and 6th Streets and Market Street. The traffic counts at these intersections, although relatively high for a rural community, are likely not high enough to warrant a controlled intersection. Instead, lighted crosswalks are another option that can increase the safety of the area, while still allowing for vehicles to efficiently flow through (see Figure 5).



Figure 5: Lighted Crosswalk Example

The final element of the downtown redevelopment project is multi-family housing development which could go in on the purple highlighted portion shown in Map 4. Natural Soda is growing very rapidly, and has reported that new employees have had difficulty finding adequate housing options within the Town of Meeker. Meeker is the closest municipality to the mining operation, and Natural Soda and the Town will both benefit if the workforce of the mine is able to locate in Meeker. Employee

productivity will increase due to the shorter commute time, and the community will benefit from an increase in the number of individuals living within Town that have stable and high paying jobs.

The downtown redevelopment plan will require a herculean effort with the support of multiple public agencies, private investors, and the full support of the Town. Specific details can be found in the action plan section of this report.

Shooting Sports Cluster

As momentum builds within the shooting and outdoor sports cluster, the Town will be in a position to recruit additional outdoor focused businesses and manufacturers. As the community becomes known as the place to come to for outdoor sports training and recreation, companies within the sector will take notice and may gain a strategic advantage by locating to the Town. A natural place to begin will be with the archery industry, which already has a foothold in the area due to the Town's successful bow-string manufacturers. The recruitment of manufacturing companies, and associated management positions, will create additional job opportunities that will not require extensive workforce training programs due to the expertise and skillset of the existing workforce.

RIO BLANCO COUNTY

Wolf Creek Reservoir

The proposed water reservoir project that is being examined through a multi-jurisdictional effort has the potential to create a significant economic impact for Rio Blanco County. While the location of the future reservoir is still subject to approvals, it is anticipated that the Wolf Creek Reservoir will be located at a site

that is approximately twenty miles east of the Town of Rangely along US Highway 64.

The footprint of the reservoir being recommended by the planning commission is a 90,000 acre-foot reservoir with a surface area of at least 1,500 acres. At this size, the reservoir would be the largest in the region, and is anticipated to be open to all types of water recreation, including motorized sports that are becoming increasingly restricted throughout the State. The proposed reservoir has received multi-jurisdictional support from water conservation groups, environmental groups, and recreation enthusiasts. While the merits of the environmental impacts are significant, they will not be addressed in this report. Instead, interested parties should refer to the White River Storage Feasibility Study that was commissioned by the Rio Blanco Water Conservancy District. Estimated economic impacts outlined in the feasibility study will however be highlighted in this report.

The economic impact of the Wolf Creek Reservoir was estimated using extensive modeling based on visitation data from other reservoirs found in the region. Based on estimated demand and average visitor expenditures, it is anticipated that the Wolf Creek Reservoir will attract 125-160 thousand visitor days on an annual basis, with direct expenditures within Rio Blanco County in the range of \$6.1M to 7.8M³.

The increased visitor traffic and subsequent expenditures will be very beneficial to existing small businesses within the County, and will provide opportunities for new job creation. Additionally,

³ Economic analysis performed by Harvey Economics in conjunction with the White River Storage Feasibility Study.

the presence of a new reservoir will be complimentary to the strategies that are being recommended for each Town.

For example, the reservoir will be within a twenty-minute drive of the new student housing project, and the recreational components of the reservoir will contribute to the attractiveness of CNCC as a fun place to attend college. The recreation offerings at the new reservoir will also be complimentary to the river recreation improvements that are recommended near Camper Park. Additionally, visitors who want to spend several nights at the reservoir, but don't want to camp, will likely choose to stay in hotels in Rangely.

Meeker will also benefit because the reservoir will be another activity that hunting and fishing enthusiasts can enjoy during a trip to Meeker. Additionally, the majority of the reservoir's future visitors will likely drive through Meeker on their way to the reservoir. With the exception of Vernal, nearly all of the larger cities within the region have the most direct, and easiest route to the reservoir via Meeker, especially when pulling a boat or trailer. The greatest economic impact will likely occur along the route most travelled as visitors stock up on food and fuel on their way to, or away from the reservoir.

Once the site selection is finalized, Rio Blanco County and the local recreation districts should consider acquiring fee simple land along the banks and access points to the reservoir. Whereas this land will most likely be owned by the BLM, a land-swap or other arrangement with the BLM may be required.

The consultants that have been engaged to evaluate the feasibility of the reservoir estimate that the approval process may take up to five years to complete, but it will be important for all stakeholders to become engaged in the process right away. The reservoir will be a major undertaking and will require the finan-

cial participation of local and State governments to gain the traction necessary to progress. As an added measure, the County could consider sponsoring a peer review of the previous feasibility study to reaffirm and validate previous assumptions. The successful completion of a peer review may help attract additional support from taxpayers. Implementation steps for the reservoir project will not be addressed specifically in this report. Interested parties should contact the Rio Blanco Water Conservancy District for additional information.

ACTION PLANS

Implementation of the strategies described above will require an incredible amount of work, dedication, determination, and creativity to accomplish. It will also require an adroit approach that will likely involve many pivots as initial strategies hit unforeseen roadblocks. Therefore, multiple strategies and alternatives need to be pursued simultaneously so as to not lose precious time if one component of a strategy proves to be insufficient.

For example, it is often impossible to know beforehand exactly which financing strategies, such as grants, will work best because many are awarded on a competitive and political basis with many players and factors that sway the final decisions. Multiple options should therefore be pursued to cast a wide net and ensure sufficient funding sources are secured.

In light of the foregoing, the following action steps are initial recommendations based on experience putting together similar projects in other communities. The action steps are structured in a way to allow the community and the private sector partners to take calculated risks as the project builds momentum. There are details and aspects of each project that will only be discovered as implementation moves forward. The outlined action steps are

organized to facilitate the early discovery of additional requirements, rather than being blindsided during the later stages of implementation. Therefore, the implementation team should use these recommended action steps as a roadmap, with the understanding that many additional actions may be required as the project gestates.

RANGELY

Mixed-Use Student Housing

Considerable headway has already been achieved in the efforts of pulling the student housing project together. Interest has been obtained from the Town, CNCC, the Recreation District, and a potential retail operator for the facility. The next steps of implementation are based on moving forward from the progress that has already been made.

Action Step #1 – Right-size the facility

It will be important to make sure that the new housing capacity is planned in conjunction with CNCC's long-term strategy so that the new facility is not over or undersized. CNCC should take into consideration the potential of retiring some of the old housing on campus, because the maintenance cost requirements may exceed the benefits. Based on the number of new units required, the site location and layout may need to change accordingly. If it is determined that CNCC does not require a sufficient number of housing units to make the project pencil, the Town should consider adding multi-family housing to the project. The Town has successfully completed a multi-family housing project recently to help address housing shortages, and anecdotal information has suggested that demand still exists for additional multi-family housing within the general market.

Action Step #2 – Solidify requirements of the future operator(s)

The potentially interested operator has provided some initial estimates, but those estimates may change based on a thorough market analysis. After the operator has completed their analysis, the Town should obtain the exact requirements in terms of square footage, site layout, and other considerations. Estimated sales and sales tax from the facility will be important in subsequent phases of implementation.

Action Step #3 – Land Assemblage

As described in the project description section, the landowners that represent the land within the proposed project area have already expressed a willingness to sell. The required land should subsequently be assembled, possibly through option agreements, and provided as a package deal for the developer.

The ownership of the northern end of the project area is currently privately owned by a family trust, even though it has been used for decades as part of the Camper Park. The transaction of assembling the land will require a concerted effort with understanding and agreement from the future developer, the Town, the Recreation District, and the family trust to ensure that all parties have an agreeable outcome.

Action Step #4 – Developer Recruitment

Although a potential operator has been identified and has expressed preliminary interest, a developer will still be required to take on the risk and carry out the project. Recruiting a developer will be much easier once action steps #2 and #3 have been completed as this will provide a rough idea of the financing strategy and the expected requirements and outcomes of the project. This action step will require phone calls, personal meetings, and attendance to conferences to reach out to local, regional, and po-

tentially national developers in order to find one that is interested in taking on the project.

Action Step #5 – Design & Bid

Once the project has been defined in terms of the number of housing units and the size of the retail and entertainment venues, it will now be possible to put together construction drawings, send out for bids, and develop a project cost estimate. Although traditional development would require the operator/developer to cover these costs, it may need to be initially borne by the public sector and reimbursed as a project cost once financing is secured.

Action Step #6 - Project financing

The cost estimate should be compared to projections from the potential operator, to identify the gap between the capital and debt repayment requirements of the development, vs. the lease payment/debt service amount that is estimated to be sustainable from the operator's standpoint. The difference, also known the "financing gap," needs to be filled with other financing sources.

As described in the project section, TIF is one strategy that will be able to help close the financing gap. TIF functions by returning a portion of the incremental tax generated from a project, back to the project to help support the debt payments on the building, or other costs. For example, the project is expected to cost several million dollars, which will generate a significant amount of property tax and sales tax that would otherwise not occur within the community. The taxing entities will continue to receive at least the amount they have been receiving historically, and a portion of the additional tax generated by the project, or the increment, will be refunded to the developer to cover a portion of the debt that cannot be paid by the operators. In this regard, the private sector carries the risk, or the debt on the building, but the public

sector participates by allowing some of the value created by the development to be shared with the private investors.

The public-private partnership model described herein is the least expensive way for a community to gain access to amenities that would otherwise choose to locate to larger cities such as Grand Junction. In essence, the public participation helps turn the tables in favor of less-favorable locations, and allows rural communities to compete for investment.

The Town has an existing URA, but the terms of the URA, including the boundaries, life-span, tax collection restrictions, etc., may not be sufficient to provide enough financing back to the project. The existing URA and RDA structure should be closely analyzed to verify capacity and the ability to support the horizontal mixed-use development. It is possible that a new URA will need to be created with new boundaries, terms and a structure capable of providing the necessary TIF support.

It is possible that tax increment financing alone may not be able to fill the entire financing gap. In which case, additional investment should be sought by exploring other incentive programs authorized by the State of Colorado. Financing should also be sought from parties that will benefit from the project. Examples may include the Town, the County, CNCC, the Recreation District, wealthy individuals, and grants. Participation from these entities, whether through cash or in-kind investment, will help lower the initial capital requirements of the project, and will subsequently decrease the financing gap.

Action Step #7 – Construction

The mixed-use housing project has the potential to move relatively quickly through implementation due to the ground work that has already been laid.

International Flight School

Action Step #1 – Feasibility Study

A feasibility study should be commissioned in order to gain a solid understanding of the international aviation market, including which countries of origin will provide the greatest benefit, and will be most compatible with the capabilities and the culture of the Town and CNCC. The research phase should include multiple discussions with the leadership team at CNCC to ensure that their unique position as an institution of higher education is considered and accounted for in the market research.

A particular emphasis of this feasibility phase will be to identify potential challenges, and techniques in facilitating the smooth transition of international aviation students. The Federal Government has already established a list of requirements for candidate international pilots, so CNCC will not be breaking new ground in this regard. Requirements that potential students will need to meet include an FAA medical certificate, proof of English proficiency (such as a TOEFL exam), and registration with the U.S. Department of Transportation Security Administration (TSA)⁴. The registration process is relatively straightforward, although the TSA system is currently backlogged due to high demand, which is a positive sign and suggests that CNCC should be able to gain access to an influx of prospective international student pilots.

In some instances, CNCC could be at an advantage over other international flight training programs, because CNCC could offer English courses to help international students prepare for the

English proficiency tests that are required before being accepted as a student pilot.

Action Step #2 – Secure CNCC and Town Support

The effort to establish the international program will not be successful if the Town and CNCC are not united in their efforts and vision for the program. After the Town and CNCC leadership have agreed on the basic structure, goals, and expected outcomes of the program, a series of public meetings should be conducted to educate residents to gather feedback to refine the goals and structure of the program.

Action Step #3 – Secure project funding

The new international flight program will be an expensive undertaking and any and all potential funding sources should be explored. Ultimately, it is anticipated that the program will require the political and financial support from the highest levels of the State government. Specific organizations that will need to come on board include the Colorado Department of Higher Education and the Colorado Community College System. The Governor's Office should also be approached about the possibility of allocating discretionary funds to help build the program. President Russ George at CNCC is a well connected political figure, and his skills, leadership, and reputation will be crucial in gathering the required financial and political support.

Action Step #4 – Recruit language and flight instructors

Recruiting qualified instructors has historically been a challenging task at CNCC, and the leadership team should begin early to have conversations with potential instructors to find out what it will take to have them relocate to Rangely. The feedback should be shared transparently with the Town and options should be explored on how the Town can assist in recruiting instructors by providing an attractive and vibrant quality of life. The mixed-use

⁴ Complete instructions of how international students can gain access to US pilot training programs is found at www.flightschoolcandidates.gov.

retail and entertainment development will be a key selling point in attracting future employees and their spouses and children.

Action Step #5 – Establish a Center for International Education

If it is determined through the feasibility study that international markets will be a major component of the expanded flight program, a Center for International Education should be established. The mission of the Center for International Education (CIE) will be to develop funding sources and profitable strategies for international recruiting focused on pilot and technician training programs. In addition, the CIE will be responsible for student retention by coordinating with other college departments regarding housing and other supportive services to help accommodate international students.

It will be imperative that the CIE establish an online presence in the target international markets to engage with prospective students. In addition to social media marketing strategies, CNCC should consider hiring a consultant that is able to navigate the educational labyrinth of the designated recruitment region, and can begin recruiting prospective students on the local level.

Aircraft MRO

Action Step #1 – Feasibility study

The feasibility study will quantify the market demand for MRO services, will identify the type of facility and personnel that will be required, and will provide estimates for the amount of business that an operator in Rangely can reasonable expect to capture.

Action Step #2 – Apply for designation as an Aviation Development Zone

An Aviation Development Zone (ADZ) is a special designation allowed by the State of Colorado to incentivize aircraft related

businesses to locate to the State. Specifically, it provides tax incentives for businesses that are involved in aircraft component manufacturing, or the maintenance and repair of aircraft. Designation as an ADZ airport will provide a potential tax benefit to a future MRO operator. The application process is straightforward and relatively simple.

Companies need to employ at least ten people to qualify for the tax incentives allowed through the ADZ. While it may take several years before the MRO has built up enough business to employ ten individuals, the designation will demonstrate community willingness to support the aviation industry, and may play a role in building the aviation cluster. For example, it may help open the door to recruit aviation component manufacturers, who would likely employ ten or more people from the beginning and would be very interested in the tax incentives.

Action Step #3 – Operator recruitment

A list should be compiled of MRO operators within the region that may be interested in opening another location in Rangely. Such expansion may provide a strategic advantage to existing operators by allowing them to capture a different sector of the marketplace. Operators within Colorado and neighboring states such as Utah, Wyoming, Idaho, and New Mexico should be included as part of the search. It will be important to leverage the vision of the expanded flight program as a key reason why an MRO operator should consider coming to Rangely.

Action Step #4 – Define needs and requirements of operator

Once an operator has been identified and has expressed interest in the opportunity, detailed conversations should be held to better understand all of the specific requirements that the operator would need to have met before opening an MRO in Town. Re-

quirements may include items such as runway access, facilities, personnel, and operating parameters such as expected revenue.

Action Step #5 – Financing plan

Estimates for facility costs and revenue projections will enable the development of a financing plan, including the quantification of a potential financing gap. If new facilities will be constructed, property value based TIF may be a potential financing source and an analysis should be conducted to ensure that the new facility will be within the RDA zone. If existing facilities will be utilized, property based TIF will likely be insufficient and sales tax rebates will need to be explored. It is important to note that tax incentives should not be used as a long-term subsidy for operations, but should be used to help cover startup capital requirements.

Outdoor Recreation

Action Step #1 – Create a new river master plan

A new river master plan should be developed that accounts for the multi-use development described previously. The Town should partner with the Recreation District in creating the plan. The master plan should take into consideration future uses and long term needs near the river. The plan should include pathways that connect the new development to amenities along the river including ingress and egress points. Bicycle lanes and walking trails should be planned up and down the river with areas where visitors can easily get in and swim and play in the water.

Action Step #2 – Project financing

Various grants and funding sources should be pursued to obtain funding for the highest priority projects identified in the master plan. Specific sources of funding may include the Great Outdoors Colorado (GOCO) grants, Colorado Healthy Rivers Fund Grants, the Packard Foundation's Fresh Water Trust, and the Fields Pond

Foundation. Additional grants and foundation donors should be sought as necessary to provide financing. Local groups such as the Recreation District, the Rio Blanco Water Conservancy District and the Town and County Government are going to be key players in the recreation projects from both a political, and possibly a financial standpoint.

Action Step #3 – Branding and marketing

From a municipality standpoint, the most effective marketing is the kind that is done by others, not the municipality itself. Examples include building amenities and hosting events that get attention from media outlets that create a highlight story that is promoted without costing the municipality any additional funds. Experience has shown that this form of free advertising is much more effective than paid advertisements that attempt to convince someone to come and visit a particular area. Specific amenities and events should be contemplated that would be unique enough to attract the attention of regional media outlets.

Data Center

After the analysis of phase II and III, the strategy regarding how to attract a data center operator remains the same as presented in phase I. The actions steps will be listed again here for convenience.

Action Step #1 – Feasibility study

A feasibility study needs to be conducted to identify an appropriate location, and then verify that Moon Lake Electric has the capacity to supply reliable and consistent electricity in the volume required for the data center in that location. Downtime is extremely costly for data centers, and therefore they require a reliable primary electricity source and redundant backup power systems in order to meet uptime requirements. Natural gas is typically the backup energy source of choice, which should be an

advantage due to the abundant natural gas resources, infrastructure, and favorable prices in Rangely. The feasibility study will also include surveying fiber connectivity at the site to ensure redundant network access.

Action Step #2 – Operator recruitment and business development

Running and maintaining a data center is a highly complex operation and requires specialized skills and expertise. Whereas the data center will be a first for the community, it will be necessary to recruit individuals and/or companies with the knowledge and skills to make the center successful.

The selected operator will develop a business model to verify feasibility and attract clients. There may be an opportunity to secure contracts with the State of Colorado to house agency data. State contracts would be beneficial for the data center, and may help attract support from the State legislature.

Action Step #3 – Financing Plan

The data center will likely have an initial price tag in the range of \$4-8 million, and will require substantial public investment to be successful. TIF financing will be able to cover a portion of the financing gap, but additional sources will likely be required. Other sources of financing include Enterprise Zone Tax Credits, Advanced Industry Investment Tax Credits, and grants such as the USDA REAP program.

Action Step #4 – Long-term Education Initiatives

Recruiting outside labor to run the data center should be viewed as a short-term option. The long-term goal should be training the youth of the community to be qualified to work at the data center, and in additional high-tech positions that will likely come as a result of the center. To accomplish this, a partnership should be explored between the data center operator and the Rangely School District to ensure that the schools are teaching the skills

that would be important for future high-tech industry positions. Other districts throughout the country have implemented similar programs and are now placing students right out of high school into highly paid software engineering positions. There are curriculum programs available that could be implemented immediately through providers such as CodeHS and Code.org.

MEEKER

Downtown Redevelopment

Action Step #1 – Refine the concept with public input

The concepts put forth in the downtown redevelopment strategy will need additional refining, which can be facilitated through public meetings where the public is allowed to add additional ideas and challenge assumptions. Because public participation will be crucial for the project, it will be important that the public has a say in what training components are included in the final product. Public support will also be important for securing certain financing sources.

Action Step #2 – Feasibility analysis

A feasibility analysis will be required to further refine the concept and to establish financial justification for the project. The feasibility analysis should include estimates for the number of visitors anticipated, the average length of stay, and target recruiting markets. It should also analyze which training elements will be most important to emphasize. While some of this information has been considered in arriving at the concept as a recommendation, the feasibility study will go into much greater detail regarding the specifics of the project.

Action Step #3 – Site selection

The feasibility analysis will provide insights into the total amount of area that will be needed for each of the different train-



ing areas, which information will be used to finalize site requirements. A site will be selected from the presented options, or possibly a third option based on the site requirements and the willingness of landowners to participate in the redevelopment effort.

Action Step #4 – Strategic partnerships

The facility will likely have a unique ownership structure with a public-private partnership at its core. The facility will benefit from having the buy-in from multiple public and non-profit organizations such as the NRA, The Colorado Outfitters Association, the Recreation District, the Town, the County, and wealthy individuals that are interested in promoting hunting and fishing such as those located up river from Meeker. Efforts should begin early to cast the vision to all of these different groups to determine what level of participation can be expected from each organization.

Action Step #5 – Operator recruitment

Action step #5 can occur concurrently with action step #4. There will likely be many back and forth conversations between the ownership partners and the private operator, and an iterative approach should be taken to ensure that all parties are sharing in the risk, and share in the motivation to make the project succeed.

Action Step #6 – Design and cost estimates

Similar to the approach in Rangely with the mixed-used development, once the project has been defined and partnerships have been secured, it will be possible to put together construction drawings, send out for bids, and develop a project cost estimate. Also similar to what is proposed in Rangely, the costs of securing the construction drawings and estimates may need to be initially borne by the public sector and reimbursed as a project cost once financing is secured.

Action Step #7 – Financing structure

The outdoor training facility will be a very expensive undertaking that will require the leveraging of every potential financing source. Major participants will likely include the Town, the County, and the Recreation District. Each of these entities stands to benefit from the creation of the facility. Other capital contributors will include foundations, grants, and wealthy individuals.

Ultimately, the facility has the best chance to succeed if it is operated by the private sector. However, due to the size of the project in the rural location, it is not likely that any private entity would be willing to take on the project by itself. The public sector can contribute by providing the capital and support necessary to construct and own the building, but then should lease the structure to a private entity for operation. The public entity participants should resist the urge to take on operations because they will not have the flexibility, the drive, and the tenacity to invest in marketing at a level necessary to fill the building year-round. A private operator will be highly motivated to bring in as many outside visitors as possible because their bottom line depends upon it. A public entity does not have that same level of motivation, and experience has shown that similar publicly operated facilities have less economic impact than could occur if it were privately operated.

Another advantage of this structure is that it enables investment from the NRA. The NRA has a grant program available to fund the equipment of shooting ranges and other hunting and firearm educational and training facilities, but the grants are only available to public or non-profit entities. In this regard, the public partners will be able to apply for funding through the NRA to help cover the cost of the equipment, and the facility will still be able to benefit from a private operator.

The terms of the lease between the public owners and the private operator will be negotiated at later stages of the project, but the goal of the lease will be to ensure that the lessee is motivated to fill the building and allows them to achieve market-rate returns. The lease structure is a careful balancing act that will likely involve detailed open-book negotiations between all of the project's partners.

Action Step #8 – Commercial and retail development

The commercial and retail development components described herein will be much easier to assemble once potential tenants are assured that the training facility is moving forward. Hunting and fishing retail stores would be a natural fit for the new commercial development. Retailers would have the potential to assemble some really neat packages in combination with the services offered at the training facility. For instance, a “First Timer” package might include free training with the purchase of new hunting or fishing gear so that a new hunter can come to Town, acquire a firearm, get trained, and head out and have a successful first hunt.

Downtown Housing

Although the downtown housing project was presented as part of the overall downtown redevelopment strategy, it can be pursued simultaneously with the other project action steps and therefore is presented as its own recommendation.

Action Step #1 – Define the product

The first step in the downtown housing development is to work with Natural Soda and other employers within the region to define what type of housing product is most desired by the workforce.

Action Step #2 – Housing study

Armed with the needs and desires of the local workforce, a housing study should be conducted to document and quantify the existing housing stock and gaps should be identified between what is available, and what is desired by the market. The housing study should also establish the number of new homes that would be absorbed in the new housing project, and the prices/rent rates that would be supported.

Action Step #3 – Land assemblage

Once it is determined that the new housing development will have traction within the local market place, and land within the proposed site should be assembled, likely through option agreements.

Action Step #4 – Recruit developer

Armed with the results of the housing study and the land assembled as a package, a developer with experience and capital capabilities should be recruited to the project. TIF incentives may be necessary to close the deal.

Outdoor Sports Events and Competitions

Action Step #1 – Identify niche

Market research of existing hunting and fishing competitions and events throughout the region should be conducted, and a gap analysis performed to identify potential opportunities and niche events that can be hosted in Meeker. The gap analysis should include research into what other competitions are offering in terms of prizes or other perks.

Action Step #2 – Contact potential operators

In some cases, it might be easier to add Meeker as an additional location of a well-known competition rather than create an entirely new event. A list of potential targets should be created, and

the vision should be presented on the downtown development projects, potential prizes, the natural assets, and other selling points to capture the imagination of potential operators.

Action Step #3 – Strategic planning

The community should avoid hosting major competitions that line up with current events such as the Meeker Classic, or the fall hunting season. These events, and particularly the fall hunt, fill the current hospitality offerings and there are not sufficient rooms to accommodate additional events if hosted at the same time. The focus instead should be on placing events during other times of the year when tourism is typically slow. By utilizing this approach, local hotels and business owners will experience relief from the seasonal booms and busts that they currently experience. As year-round tourism demand increases, additional hospitality capacity may become feasible.

Shooting Sports Cluster

Action Step #1 – Create list of potential targets

A list should be compiled of all businesses, both regionally and nationally, that are involved in the shooting sports cluster. Businesses should be prioritized based on their expected fit with the culture of Meeker.

Action Step #2 – Contact potential targets

Starting with the highest priority targets, companies and businesses should be contacted to gauge their potential interest in adding a store/facility in Meeker, or in moving their current operation to the Town. The story of why they would want to come to Meeker will be much more compelling if the implementation team is able to provide details about the change that is occurring within the Town and the new training facility that is under development.

The approach will require a ton of patience, perseverance, and may also require attending trade shows and conferences to get an audience with the right individuals. Most will not be interested, but it is very likely that some will catch the vision of what is occurring in Meeker, and will want to be part of it.

Action Step #3 – Assemble incentive package

After a company has expressed interest in locating a facility to the Town, details regarding their operating restraints should be obtained. If the company would need to build a new building, the Town should explore incentive options, such as TIF, that can be used to help defray the costs of moving or opening a new facility. A number of tax credits are available for companies that create new jobs within Colorado such as Enterprise Zone Tax Credits.

MONITORING AND COMMUNICATING PROGRESS

Large and catalytic economic development projects, such as those described herein, are a major undertaking and some elements of each project may take several years to fully come to fruition. Throughout implementation there will be many moving parts and small victories, yet much of it will occur out of the public's eye. As a result, some communities struggle to implement game changing projects because public interest wanes and elected officials become distracted by day-to-day activities that often appear more urgent than implementation. To overcome these challenges, it is recommended that the County and the Towns implement the following communication strategy:

Establish Expectations

Using public meetings and press releases, communicate clearly to the general public that implementation is a multi-year investment and that public support and engagement will be a necessity.

ty. It will be important to communicate that the projects that will lead to long-term change are complex, and a lot of milestones need to be met before construction ever begins.

It may be helpful to transparently describe to the general public the importance of prioritization, and the irony of how small projects (e.g. downtown beautification, façade improvements, new secondary employers, etc.) are quickly visible, but by themselves fail to change the economic framework of the community. Because the economic framework is unchanged, local businesses will continue to face the same issues (e.g. weak demand, seasonal traffic, etc.) that they faced before the small projects were undertaken. Investing in catalytic projects provides the greatest probability of realizing long-term change and improvement.

Appendix A shows the proposed timeline of implementation activities for the first two years, which will help in establishing realistic expectations with the community.

Recruit Local Champions

All of the projects described herein will require local champions to help push the project forward. These champions can include local appointed and elected officials, but should also include influential citizens and business owners that have caught the vision of what can occur. The local champions should be strategically selected and invited to participate wherever possible in planning and carrying out implementation activities. Support and championing from local individuals will go a long way in fostering general public support.

Celebrate Progress

Whereas it may take several years before the public sees cranes in the air for the catalytic projects, there will be many “wins” along the way that will create excitement if communicated clear-

ly and effectively. For example, milestone events such as the completion of a feasibility study, securing interest from a developer/operator, obtaining a signed development agreement, establishing a strategic partnership, securing a portion of financing, etc. are all significant “wins” and should be communicated through local newspapers, websites, and public meetings. The news articles should be written carefully to ensure that the message is communicated in a positive light, and that it includes details regarding overall progress toward the end-goal.

BRANDING CONCEPT

The strategies in the Town of Rangely vs. the Town of Meeker are very different, and reflect the unique assets, challenges, and opportunities that each community possesses. Although some needs are similar, such as additional retail and new housing, the methods of accomplishing those goals requires a much different approach in each Town. Likewise, the branding concepts for each community are very different, and rather than present an overall branding concept for the entire County, each community will be addressed separately in to allow each Town to capitalize on its unique strengths.

In many regards, a community’s brand is a result of the projects, developments, and the culture of the community, rather than the other way around. As such, the catalytic projects recommended for each community will play a large role in creating a unique brand that can be leveraged to attract additional development and investment.

RANGELY

Rangely has the potential to brand itself as a unique, and funky small town that packs a punch in terms of recreation and enter-



tainment. The Recreation Center offers activities far beyond what the majority of small towns can offer. With the new mixed-use development near the river that includes retail and additional entertainment options, the Town will offer a unique blend of small town hospitality with big-town activities.

The combination will create a unique story when it comes to recruiting international flight students. The Town is safe; the residents are friendly; students will have the opportunity to receive personalized pilot training with tons of open air space to practice in, and they will have activities to do on the nights and weekends. The Town will be able to brand itself as the destination for an inexpensive route to obtain a commercial pilot's license from a reputable program. Foreigners, and particularly Asians, have a love affair with the old American West, and Rangely will offer prospective students the opportunity to glimpse into the old west, while enjoying the safety, convenience, entertainment, and recreation of a modern and stable small town.

MEEKER

As described in the recommendation section above, Meeker has the potential to brand itself as the place to learn how to hunt and fish. It has world class hunting and fishing nearby that already attracts the elite of the world. The proposed training facility in downtown Meeker will allow new and older hunters/anglers alike to come and refine their technique and practice in one of the West's premier hunting and fishing locations. The brand can be reinforced and refined through the creation of events and competitions that allow the best in the world to showcase their skills.

APPENDIX A – IMPLEMENTATION TIMELINE

RANGELY

Student Housing and Retail Project	
Item	Timing
Coordinate with CNCC and the Town to determine the appropriate size, design, and location of the proposed project; Secure interest from retail and housing operators;	Year 1
Coordinate with the Town, landowners, and special districts to secure the land required for the project;	Year 1
Coordinate with the recreation district and the retail operator to create a partnership that allows recreation and rental equipment to be available near the White River;	Year 1
Recruit a developer with the expertise and resources to undertake the project;	Year 1
Coordinate the request for architectural designs and construction bids for the project;	Year 1
Work with the developer to determine financing and resource gaps;	Year 1
Coordinate with the Town to structure a balanced incentives package;	Year 1
Because TIF will likely be used, Better City will provide guidance and will assist the Town in the necessary steps to establish an Urban Renewal Authority (URA) for the project area. When possible, Better City will produce the necessary documents for the Town to use in establishing the URA.	Year 1
Better City will explore and secure alternative financing sources as required.	Year 1
Coordinate and host at least one public meeting to foment public support;	Year 1
Provide high-level oversight and project management services throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Ongoing

Expanded Flight Program	
Item	Timing
Conduct a feasibility analysis that will determine the factors that will be most important to ensure the success of the expanded flight program. The feasibility study will establish the estimated demand and the recommended structure to most effectively capture the opportunity. The feasibility study will also determine the resources that will be required for the program such as financing, physical resources,	Year 1
Better City will coordinate with CNCC to ensure that the feasibility study is conducted in context of the existing infrastructure, and the college's long-term	Year 1
Coordinate and conduct public meetings to present the findings of the feasibility study to ensure public support;	Year 1
Better City will contact and solicit financial and political support from public and private entities including the Governor's Office, the Colorado Department of Higher Education, and the Colorado Community College System;	Year 1
Coordinate with partnering organizations to ensure that the program is structured in a way that meets organization goals, and still generates the desired economic impact for the Town and the community;	Year 1
Better City will work with CNCC to develop marketing materials necessary to help recruit language and flight instructors;	Year 2
If concerns or other obstacles are presented by potential instructors, Better City will coordinate with the Town to explore methods of addressing the concerns;	Year 2
Coordinate with CNCC and the Town to ensure that new students will have access to housing, retail, and other amenities;	Ongoing

Aircraft Maintenance, Repair, and Overhaul Operation	
Item	Timing
Conduct a feasibility analysis that will determine the regional demand for MRO services, and will present a case for how much demand an operation in Rangely would be able to capture. The feasibility study will also inventory existing assets, and will provide recommendations for what additional facilities or resources would be	Year 1
Assist the community in applying for designation as an Aviation Development Zone;	Year 1
Better City will outline requirements, contact pertinent agencies, and prepare documents as necessary to guide the community through the application	Year 1
Recruit an MRO operator and determine operational or financial challenges that will be faced by starting a new operation in Rangely;	Year 2
Coordinate with the Town, the County, and the operator to devise an incentive	Year 2
Better City will work with the Town to establish a URA that will cover the airport if TIF is determined to be the best option;	Year 2
If TIF and sales tax sharing are insufficient, Better City will determine and secure the appropriate financing to close the gap;	Year 2
Provide high-level oversight and project management services throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Year 2

Outdoor Recreation and River Project	
Item	Timing
Coordinate with the Town and the Recreation district to determine the goals and the vision for the river recreation developments;	Year 1
Assist in selecting an organization to create a river master plan, and provide project management services to ensure that the delivered plan meets all of the goals and requirements of the Town and Recreation District;	Year 1
Determine and structure strategic partnerships between the Recreation District, the Town, and the Conservancy District and other entities as necessary to ensure that implementation projects have the political support necessary;	Year 1
Coordinate with the Town and the public regarding which elements of the master plan are the highest priority;	Year 1
Apply for funding through GOCO, Colorado Healthy Rivers, and various other grants, foundations, and private entities as necessary to acquire financing;	Year 2
In some situations, the Town may need to be the entity that actually submits the grant, but Better City will assist and prepare applications wherever possible;	Year 2
Coordinate and assist the Town in issuing an RFP and securing construction	Year 2
Provide high-level oversight and project management services throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Year 2

Data Center	
Item	Timing
Conduct a feasibility study to determine a potential location that has the required utility infrastructure (natural gas, electricity, water, etc.), fiber redundancy, and traffic access. The feasibility study will also determine the likelihood of the facility being able to capture demand, and/or will identify which elements will be required in order	Year 2
Identify and contact potential operators, taking into consideration existing data center operators and startups;	Year 2
Coordinate between the Town and the selected operator to develop a business plan that makes sense for the operator and the community;	Year 2
Coordinate with local education entities (CNCC and the public school district) to explore the ability of these entities to incorporate computer science courses and other programs that will provide local residents the option of acquiring the skills necessary to work at the data center, or in related high-tech industries;	Year 2
Structure a financing plan with the operator and the Town;	Year 2
Explore multiple financing options including grants, tax credits, tax-increment financing, etc. to close the financing gap;	Year 2
Provide high-level oversight and project management services throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Year 2

Downtown Redevelopment (Hunting and fishing training facility)	
Item	Timing
Coordinate and conduct at least one public meeting to refine the concept to foment public and political support to pursue the major downtown projects;	Year 1
Conduct a feasibility analysis that analyzes all aspects of constructing and operating the facility. Analysis will include demand estimates, pricing, costs, and other factors that will be relevant in attracting financial partners and an operator;	Year 1
Coordinate with the Town and County to select a site;	Year 1
Coordinate with the Town and local real estate professionals to secure ownership of the site via option agreements;	Year 1
Organize and coordinate efforts to establish the necessary strategic partnerships with groups such as the NRA, Colorado Parks and Wildlife, DOLA, and private	Year 1
Recruit an operator that has the ability to run the facility in the manner necessary to reach operational goals;	Year 2
Commercial and retail tenant recruitment;	Year 2
Work with the operator and strategic partners to finalize design concepts, and send out for architectural design and construction bids;	Year 2
Secure project financing;	Year 2
Work with public, private, non-profit and for-profit entities to secure the	Year 2
Apply for grants;	Year 2
Because TIF will likely be used, Better City will provide guidance and will assist the Town in the necessary steps to establish an Urban Renewal Authority (URA) for the project area. When possible, Better City will produce the necessary documents for the Town to use in establishing the URA.	Year 2
Structure the deal and ownership to meet the needs of strategic partners;	Year 2
Provide high-level oversight throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Year 2

Downtown Housing Project	
Item	Timing
Conduct a feasibility analysis that will determine the demand for new housing and will define the most marketable product type(s);	Year 1
Work with local employers to gain access to input and feedback of current and potential employees;	Year 1
Coordinate with the Town to select a site for the new housing development	Year 1
Work with the Town and local real estate professionals to assemble the land via ownership agreements;	Year 1
Recruit a developer that has interest and the capability of undertaking the project;	Year 1
Work with the developer to obtain architectural drawings and construction bids;	
Structure a financial plan;	Year 2
Because TIF will likely be used, Better City will provide guidance and will assist the Town in the necessary steps to establish an Urban Renewal Authority (URA) for the project area. When possible, Better City will produce the necessary documents for the Town to use in establishing the URA.	Year 2
Better City will explore and secure alternative financing sources as required.	Year 2
Work with the developer and the Town to secure necessary approvals and entitlements to build the development;	Year 2
Work with local employers to advertise and market the availability of future	Year 2
Provide high-level oversight and project management services throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Year 2

Recruit Outdoor Competitions and Events	
Item	Timing
Conduct a market study to identify opportunities for new events that will compliment the natural assets of the area and that will be able to leverage the new training and experience facility; vet ideas based on estimated economic impact; interview potential operators; analyze financial viability of proposed events;	Year 2
Coordinate with the Town and local groups to identify strategic partners, operators, hosts, and volunteers to assist in planning and eventually hosting various events;	Year 2
Contact potential event operators to gauge their interest in adding Meeker as a new location for an existing event series;	Year 2
Obtain event funding;	Year 2
Possible sources include grants, donations, and public incentives;	Year 2
Assist event hosts and operators in strategy for marketing and getting event visibility from the right groups to improve attendance; review action plan with event organizers.	Year 2

Shooting Sports Cluster Recruitment	
Item	Timing
Coordinate with the Town and the County to identify industries of interest; Conduct a market analysis to identify and compile a comprehensive list of potential recruiting targets within the industries of interest;	Year 1
Work with the Town and the County to identify potential sites for the newly recruited companies;	Year 1
Prepare presentation and marketing materials to highlight the benefits of locating a business to Meeker;	Year 1
Contact recruiting targets and gauge interest in locating to Meeker, and identify	Year 2
Construct a plan to overcome any of the needs and obstacles presented by the potential companies;	Year 2
Often times the obstacles will be financial in nature – in which case, Better City will devise a financing plan to fill the gap and allow the companies to come to Meeker. Tools to close the financing gap may include TIF, grants, tax credits,	Year 2
Work with interested companies to finalize a site;	Year 2
If new construction is required, work with the interested company and the Town to secure necessary approvals and entitlements to build the new facility;	Year 2
Provide high-level oversight and project management services throughout the planning and construction process (make sure that the project is moving forward as envisioned).	Year 2